



2012 ANNUAL REPORT

20  
YEARS

1992-2012

Celebrating twenty  
years of promoting  
partnerships  
and U.S. exports

MISSION

The U.S. Trade and Development Agency helps companies create U.S. jobs through the export of U.S. goods and services for priority development projects in emerging economies. USTDA links U.S. businesses to export opportunities by funding project planning activities, pilot projects, and reverse trade missions while creating sustainable infrastructure and economic growth in partner countries.

TABLE OF CONTENTS

Message from the Director ..... 1

USTDA through the Years ..... 3

2012: Leading Economic Partnerships around the World..... 6

Making Global Local ..... 8

Supporting Small Business Sales Overseas..... 9

Charting Our Progress ..... 10

USTDA Programs: Tools for Growth..... 12

    Reverse Trade Missions: Making Connections..... 12

    Conferences and Workshops: Identifying Opportunities,  
    Showcasing Technologies..... 14

    Feasibility Studies and Pilot Projects:  
    Getting It Right from the Start..... 16

    Technical Assistance: Creating a Favorable  
    Business and Trade Environment ..... 18

Client Resources..... 20

Summary of FY 2012 Program Activities ..... 21

FY 2012 Program Activities Listed by Region..... 21

Financial Information..... 25



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## MESSAGE FROM THE DIRECTOR

This year was a special one at USTDA, marking twenty years since it was created as an independent agency through the aptly-named “Jobs through Exports Act of 1992.” This anniversary has given the Agency an opportunity to look back on many of its previous successes, highlighted throughout this report, and to reflect on the growth and evolution of our program over the years as we continuously strive to respond to the needs of our U.S. private sector clients and overseas partners.



U.S. Trade and Development  
Agency Director Leocadia I. Zak

USTDA has exceptional activities to highlight from the past year. The Agency launched new public-private partnerships in Brazil with its *U.S.-Brazil Aviation Partnership*, and in South Africa with its *Aviation Initiative*. At home, the Agency launched its *Making Global Local Initiative*, which aims to connect U.S. companies to market expansion opportunities in emerging economies and which is the largest state and local outreach strategy in the Agency’s history. Complementing these efforts, USTDA continued to link U.S. companies to foreign buyers through its International Business Partnership Program, successfully designing and supporting a record number of reverse trade missions and workshops.

USTDA is proud of the whole-of-government approach it took to supporting U.S. industry and export growth in FY 2012. In particular, through strategic coordination with other U.S. government agencies and international policy forums, the agency developed opportunities to lead and support the President’s *National Export Initiative*, in the process creating exports and jobs in the United States.

Through a combination of new and well-established programs, USTDA continued to emphasize activities that increased exports of U.S. manufactured goods and services while supporting the development of sustainable infrastructure in our partner countries. The Agency maintained its programming in the key sectors of energy, transportation, information and communication technologies and environmental infrastructure. This focus in sectors was matched by

a focus in priority markets — twenty in total, which together are forecast to grow at nearly twice the rate of world GDP growth in 2013, and which accounted for 35 percent of all U.S. exports in 2011.

The Agency’s targeted approach concentrates investments in areas of the greatest opportunity, thereby positioning U.S. companies to achieve exceptional results. The success of our U.S. company clients is reflected in the growth of our export multiplier. I am pleased to report that for the fourth year in a row, USTDA’s export multiplier has increased in FY 2012 — for every dollar the Agency programmed, an unprecedented \$63 in U.S. exports were generated. Further, the more than \$2.2 billion in new exports identified this year bring USTDA’s total exports generated since 1992 to over \$32 billion.

As the Agency celebrates its twentieth anniversary, USTDA is happy to contribute to the growth in U.S. exports across industries and to economic development in emerging markets. This report highlights just a few of the ways in which the Agency played an important role in facilitating increased U.S. exports while encouraging economic development in our partner countries.

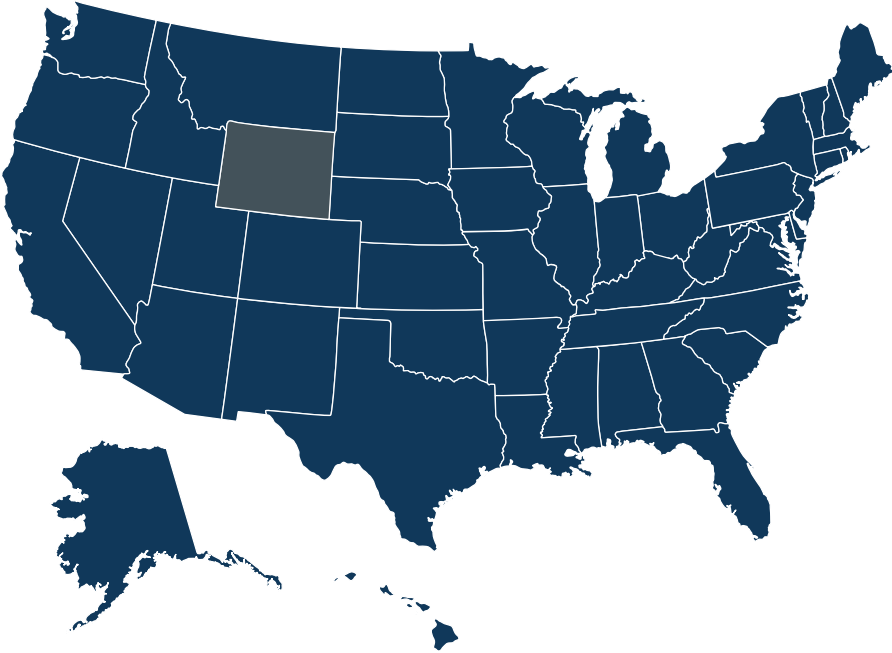
A handwritten signature in blue ink that reads "Leocadia I. Zak".

**Leocadia I. Zak**

Director, U.S. Trade and Development Agency



# EXPORT CONTRACTS BY STATE



Across the United States, companies have realized export success through USTDA's programs. The graphic depicts the states that have been awarded overseas sales contracts as a result of USTDA's activities between 1992 and 2012.

TOTAL U.S.  
EXPORT CONTRACTS

**3575**  
in 49 states

# USTDA THROUGH THE YEARS

From the break up of the Soviet Union and the end of apartheid, to the rise of the BRIC economies and start of the Information Age, USTDA's programs have resulted in expanding U.S. exports to emerging economies and helping those countries achieve their development goals. Throughout its twenty-year history, USTDA has responded directly to the needs of U.S. businesses as they ventured into markets throughout a changing and increasingly competitive world.

The Trade and Development Program, USTDA's predecessor organization, was established in 1980 with a mandate to "promote U.S. exports and economic development in developing countries...to contribute to their self-sustaining growth." As USTDA has evolved from those early days, it has maintained its focus on the dual mission of supporting the export of U.S.-manufactured goods and services while advancing economic development in its partner countries.



The **Jobs Through Exports Act** of 1992 establishes the **U.S. Trade and Development Agency** as an independent agency and states that USTDA will be the primary federal agency to promote U.S. private sector involvement in developing and middle income countries.

Following the end of apartheid, USTDA introduced newly elected South African officials to U.S. technologies to support the country's booming industrial development.



USTDA opens its first overseas office in **Manila, Philippines**, which is then transitioned to **Bangkok, Thailand** in 2002, to assist U.S. firms in creating partnerships throughout the region.

1992

1993

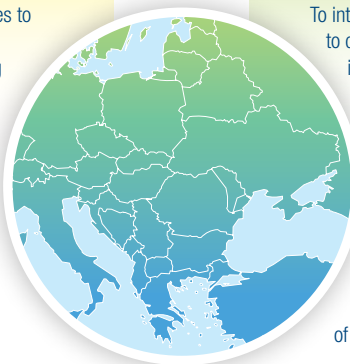
1994

1996

1997

1998

To encourage U.S. companies to participate in rebuilding the infrastructure of the growing democracies in Central and Eastern Europe, USTDA opens its program in **twelve newly independent states**.



To introduce U.S. companies to commercial opportunities in Albania, Bulgaria, and Macedonia, USTDA implements the **South Balkan Development Initiative**. By building a three nation economic and transportation corridor, USTDA helps create a new market for U.S. exports that is greater than the sum of its parts.

The **Caspian Finance Center**, a joint venture between USTDA, the Export-Import Bank of the United States, and the Overseas Private Investment Corporation (OPIC) opens in Ankara, Turkey to support the multiple pipeline strategy and ancillary projects in the Caspian region.





Following the first African Growth and Opportunity Act (AGOA) Forum in October 2001, USTDA establishes its **Africa Regional Trade and Development Office** in Johannesburg, South Africa to provide on-the-ground assistance to African project sponsors seeking U.S. solutions to their development challenges.



To enhance the long-term strategic and commercial relationship between the U.S. and Indian aviation industries, USTDA forms the **U.S.-India Aviation Cooperation Program**.

2000

2001

2004

2007

2009

In cooperation with OPIC, USTDA opens the **Southeast Europe Business Development Office** in Zagreb, Croatia to facilitate the involvement of U.S. companies in the rehabilitation of the Balkans.



USTDA launches the **U.S.-China Aviation Cooperation Program (ACP)**, a public-private partnership to promote commercial, policy, and technical cooperation between the U.S. and Chinese aviation sectors.

USTDA creates the **U.S.-China Energy Cooperation Program (ECP)** to leverage private sector resources to promote commercially viable project development of clean energy and energy efficient technologies in the United States and China.



The Jobs Through Exports Act of 1992 established USTDA as an independent agency, and in so doing, it made clear that U.S. economic interests — specifically, expanded exports and the creation of U.S. jobs — must be integral to U.S. foreign policy. The act reaffirmed and strengthened USTDA's unique approach to foreign assistance, in which the Agency partners with the U.S. private sector to support their efforts to pursue sales opportunities in emerging markets.

As a newly independent agency, USTDA moved aggressively to respond to commercial opportunities throughout the newly independent states created by the break up of the Soviet Union. The Agency directed a substantial share of its resources towards encouraging U.S. private sector participation in the rebuilding of these developing democracies. The flexible and innovative approach USTDA employed helped U.S. exporters overcome the unique challenges in these new markets and played a critical role in the U.S. Government's coordinated efforts to promote democracy, free markets, and private enterprise during the region's historic transition.

Throughout the 1990s, the economic rejuvenation and increased market orientation of many Latin American countries resulted in several successful USTDA projects in this region. In Mexico, USTDA helped U.S. firms capitalize on opportunities created by the passage of the North American Free Trade Agreement (NAFTA). Furthermore, the Agency helped U.S. businesses maximize the opportunities available through other free trade agreements in the region, including the recent FTAs with Panama and Colombia.

To build bridges with the newly elected South African government following the end of apartheid, USTDA sponsored multiple orientation visits for the country's key decision makers to introduce them to U.S. technologies and services that could further support the country's booming industrial development and expansion. To provide on-the-ground support to project sponsors throughout the continent, USTDA established its Africa Regional Trade and Development Office in Johannesburg, following the first African Growth and Opportunities Act (AGOA) Forum in October 2001.



In support of the *National Export Initiative*, USTDA launches the **International Business Partnership Program** to connect foreign buyers with U.S. manufacturers and service providers in order to open new markets around the world for U.S. exports.

- During President Rousseff's visit to the United States, USTDA spearheads the **U.S.-Brazil Aviation Partnership**, a public-private partnership that builds upon highly successful programs USTDA created in China and India.
- USTDA launches ***Making Global Local***, the largest state and local outreach campaign in its history, in order to connect companies across the country with the Agency's export promotion programs.
- USTDA announces the **Aviation Initiative for South Africa** to support the growth of safe, reliable aviation services through the development of critical human capacity resources and effective partnerships between the U.S. and South African aviation sectors.



2010

2011

2012

- USTDA launches the **U.S.-ASEAN Connectivity Initiative** to support increased connectivity and investment in the energy, transportation, and telecommunications sectors throughout Southeast Asia in order to foster an economically integrated ASEAN Community by 2015.
- Building upon the accomplishments of its aviation and energy partnerships, USTDA announces the **U.S.-China Healthcare Cooperation Program** to promote advanced technologies, collaboration, and sustainable development in the healthcare sector within both countries.



- To support the acceleration of clean and sustainable energy initiatives in India, USTDA creates the **U.S.-India Energy Cooperation Program**.
- Following the country's transformative revolution, USTDA hosts the **Egypt: Forward Forum** in Washington, DC, to encourage commercial partnerships between Egyptian policy makers, business leaders and entrepreneurs and their U.S. counterparts.

With privatization and trade liberalization rapidly spreading throughout North Africa, USTDA hosted the Maghreb Investment and Development Conference in 2000, which opened the door to increased investments throughout the region. Similarly, the Agency supported the development of private enterprise in the Middle East through activities that greatly benefitted U.S. industry. As the newly elected governments in the region seek to advance economic growth, USTDA is poised to increase U.S. private sector involvement in upgrading and expanding critical infrastructure.

In 2001, recognizing the economic boom taking place throughout Asia and the resulting opportunities for U.S. firms, the Agency re-opened its program in China. USTDA has used this program as an incubator for innovative public-private partnerships (PPPs) that span the aviation, energy, and healthcare sectors. The Agency is replicating these pioneering PPPs in India's aviation and energy sectors, in response to strong demand from U.S. industry. By focusing its programs on the market opportunities presented by the tremendous growth in China and India, these cooperation programs have facilitated continued export opportunities for U.S. firms and development achievements in both countries.

In response to President Obama's 2010 call to double exports within five years and create U.S. jobs under the *National Export Initiative*, USTDA launched the International Business Partnership Program (IBPP). Through the IBPP, USTDA brings a substantially increased number of international buyers together with U.S. manufacturers and service providers to facilitate commercial partnerships around the world and generate U.S. exports.

During the past twenty years as an independent agency, USTDA has significantly increased the return on its investment from \$25 to \$63 in U.S. exports for every \$1 the Agency invests in its programs. That level of achievement is built upon USTDA's support for U.S. companies interested in expanding their customer base overseas and a targeted approach to key markets and sectors where U.S. firms are particularly competitive.

Regarded as the rapid response arm of the U.S. Government's export promotion team, USTDA will continue to leverage resources for new opportunities, and its organizational strengths of innovation and entrepreneurship in order to deliver tangible results to all of its partners.

# 2012: Leading Economic Partnerships around the World

Building strategic relationships between the private and public sectors in the United States and its partner countries allowed USTDA to continue to expand foreign markets, enabling U.S. businesses to generate exports and create U.S. jobs. By promoting economic growth and development in its partner countries while fostering trade, these initiatives and activities demonstrate the mutual benefits of economic and commercial cooperation. The highlights below illustrate some of those benefits.

## NATIONAL EXPORT INITIATIVE

As a member of the President's Export Promotion Cabinet, USTDA is particularly well-positioned in its mission, expertise, and operations to help U.S. companies increase exports of U.S.-manufactured goods and services. In so doing, USTDA is playing an important role in helping to achieve the goals of the National Export Initiative, which seeks to create over 2 million jobs through doubling U.S. exports by the end of 2014. In FY 2012 alone, the Agency identified \$2.2 billion of new exports generated from USTDA-funded activities, which has helped support 10,000 jobs in the United States. To accomplish these results, USTDA has accelerated its trade promotion activities since the launch of the NEI in early 2010, funding 55 new reverse trade missions in FY 2012 that hold the potential for over \$1 billion in exports of U.S. goods and services.



## U.S.-BRAZIL AVIATION PARTNERSHIP

USTDA's newest cooperation program is the *U.S.-Brazil Aviation Partnership*, which was launched in April 2012 with Brazil's Ministry of External Relations. This unique public-private partnership is designed to enhance bilateral cooperation in areas such as airport expansion, airspace management, safety, and security. As a result of rapidly increasing air traffic ahead of the upcoming World Cup and Olympic Games, Brazil is facing an urgent need to increase its investments in aviation infrastructure in order to accommodate



*Brazilian aviation officials participate in the first reverse trade mission under the U.S.-Brazil Aviation Partnership.*

the expected growth. U.S. companies are eager to connect to the export opportunities created by these investments.

The Memorandum of Understanding establishing the *Aviation Partnership* was signed by Secretary of State Hillary Clinton, USTDA Director Leocadia I. Zak, TSA Administrator John Pistole, and FAA Acting Administrator Michael Huerta on behalf of the United States; and by Minister of External Relations Antonio Patriota on behalf of Brazil. The U.S. private sector is actively participating in the *Aviation Partnership*.

## AVIATION INITIATIVE FOR SOUTH AFRICA

During the U.S.-South Africa Business Summit hosted by the U.S. Chamber of Commerce, USTDA announced the *Aviation Initiative for South Africa*. The *Aviation Initiative* is designed to leverage the expertise and resources of the private sector, both in the United States and South Africa, to build the human capacity and infrastructure necessary to keep pace with the country's passenger and cargo growth rates. In addition, the *Aviation Initiative* aims to build



business relationships and position U.S. industry for significant procurement opportunities in South Africa's dynamic aviation market.

To support the new *Aviation Initiative*, USTDA committed to host three delegations of senior officials from South Africa's aviation sector on reverse trade missions to the United States. Two of the visits will focus on introducing leaders from South African Airways and its stakeholders to U.S. technologies, services, and policies and the third will focus on increasing safety and security within South Africa's aviation sector through airport modernizations and state-of-the-art air traffic management technologies. In addition to the three future visits, USTDA funded an assessment of Cape Town, King Shaka, and O.R. Tambo international airports that will recommend upgrades and improvements to airside capacity.

## GLOBAL CLIMATE CHANGE INITIATIVE

To support the Administration's goals of mitigating the negative effects of climate change and helping emerging economies develop low carbon energy resources, USTDA continued to prioritize funding for clean energy projects. Specifically, USTDA supported projects that were aligned with the President's Development Policy and the Global Climate Change Initiative to accelerate the deployment of clean energy technologies, policies, and practices. In addition to investing in clean energy development, USTDA continued to support projects that promoted climate change resilience and adaptation to help reduce



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vulnerability to the impacts of climate change often experienced in emerging economies. In FY 2012, the Agency supported meteorological monitoring, flood forecasting and monitoring, and air and water quality monitoring projects to support this goal. Going forward, USTDA will continue to assist its partner countries as they strive to minimize the impacts of climate change on their economies.

## PRESIDENT'S POLICY DIRECTIVE ON SUB-SAHARAN AFRICA

In the sub-Saharan Africa region, USTDA developed a strong pipeline of activities and institutional infrastructure to facilitate the implementation of the President's Policy Directive on Sub-Saharan Africa (PPD), particularly in the pillars related to the promotion of economic growth, trade, and investment, as well as opportunity and development.

For example in FY 2012, USTDA supported several reverse trade missions, business workshops, and training events that introduced African procurement officials to U.S. technology and ingenuity. These events also encouraged the delegates to foster relationships with U.S. companies in order to facilitate increased U.S. exports, as well as trade and investment in the region. USTDA also supported project planning activities in sub-Saharan Africa to provide the comprehensive analysis that is required for major infrastructure projects to achieve financing and implementation.



# Making Global Local

In response to dramatic shifts in the global economy, U.S. companies are increasingly targeting emerging markets as export destinations. Given its unique role, USTDA is perfectly positioned to support U.S. businesses interested in entering or expanding their presence in developing and middle-income countries. In order to connect more U.S. companies with its export promotion programs, USTDA launched *Making Global Local*, the largest state and local outreach campaign in the Agency's history.

The foundation of *Making Global Local* is formed by strategic partnerships between USTDA and local business and economic development organizations located throughout the United States that have demonstrated a commitment to increasing export-related jobs in their communities. By understanding USTDA's programs and priorities, these partner organizations are helping companies in their communities identify sales opportunities abroad with the help of various USTDA-funded activities.

By working together, USTDA and its partner organizations are supporting the creation of high-paying U.S. jobs through the growth of U.S. exports. Since *Making Global Local* was launched on World Trade Day (May 17, 2012), USTDA and its partner organizations have already co-hosted industry roundtable events, webinars, and provided joint marketing for each other's events. Over the next year and beyond, USTDA and its *Making Global Local* partners, both current and future, will continue to explore innovative ways to collaborate and connect with companies across the country in order to further increase exports of U.S. goods and services.



A delegation of Thai rail officials observe U.S. locomotive engines.



**MAKING GLOBAL LOCAL**  
U.S. TRADE AND DEVELOPMENT AGENCY

## USTDA'S PARTNER ORGANIZATIONS

- Colorado Office of Economic Development and International Trade
- Denver Sister Cities International
- Duquesne University Small Business Development Center
- Erie County Industrial Development Agency (New York)
- Export Finance Assistance Center of Washington
- Illinois Chamber of Commerce
- Invest Atlanta
- Kansas Global Trade Services
- Los Angeles County Economic Development Corporation
- Maryland Small Business Development Center
- Minnesota Trade Office
- Mississippi Development Authority International Trade Office
- Missouri International Trade and Investment Office
- Pennsylvania Small Business Development Centers
- Tampa Bay International Business Council
- Vermont Economic Development Authority
- Virginia Small Business Development Center
- World Trade Center Atlanta
- World Trade Center of Greater Philadelphia
- World Trade Center of New Orleans
- World Trade Center of San Diego
- World Trade Center St. Louis

# Supporting Small Business Sales Overseas

Over the past twenty years, USTDA has supported high-paying U.S. jobs by helping small and medium-sized enterprises (SMEs) across the United States increase their international sales. By responding directly to the needs of America's SME exporters, USTDA has consistently supported their efforts to enter or expand into emerging markets in an increasingly competitive landscape.

From showcasing the unique technologies and specialized services SMEs offer through reverse trade missions, to funding activities that connect technical experts with foreign project sponsors during the critical early stages of a project's definition, USTDA positions small and medium-sized U.S. businesses to succeed in the global marketplace. More than 88% of all contracts directly awarded by the Agency in FY 2012 were won by small businesses.

Illustrating USTDA's commitment to SMEs is the Agency's partnership with The Ford Meter Box Company, Inc. a private, family-owned business based in Wabash, Indiana with manufacturing plants in Wabash and Pell City, Alabama. After winning a bid to perform an Asian Development Bank-funded project in Vietnam, Ford Meter Box was eager to increase its sales in country. Despite their concentrated efforts, however, the company faced several challenges expanding into this growing market until they participated in a USTDA-funded reverse trade mission, which provided access to key decision makers from Vietnam's water industry.

During this visit, Ford Meter Box was able to demonstrate their pioneering line of waterworks equipment and explain how U.S. water distributors employ the company's products throughout their operations. This visit served as a springboard for Ford Meter Box to increase its exports to Vietnam and establish long-lasting relationships.

With the launch of *Making Global Local* earlier this year, SMEs across the country are realizing the benefits of the Agency's export-promotion programs. By forming strategic partnerships, USTDA and local business organizations have increased the participation of SMEs in USTDA-sponsored events, thereby increasing their access to foreign buyers.

*"...Being a manufacturer located in small rural Indiana and Alabama communities, exporting our products overseas is important to building long term opportunities for both of our factories. The strong support by USTDA in educating international customers on U.S. technologies, such as those used in the U.S. water supply industry, positively affects the many families in our communities that benefit from jobs generated when supplying our products to new international markets."*

— BOB MASON

Vice President and  
International Sales Manager,  
Ford Meter Box

In just over six months, *Making Global Local* has become the largest state and local outreach campaign in USTDA's history and the Agency will continue to explore innovative ways to work together with its network of partner organizations.

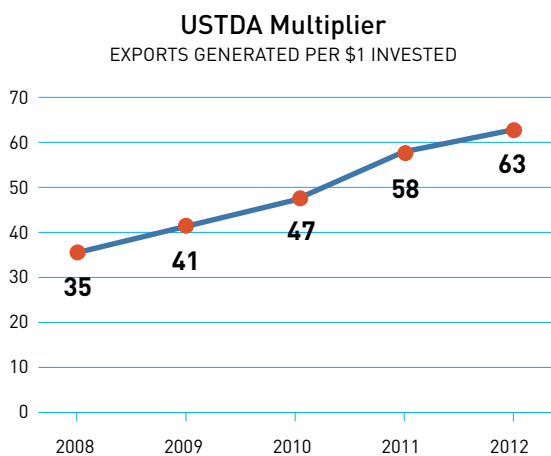
USTDA looks forward to continuing its strong support for U.S. small and medium-sized businesses and finding more ways to increase U.S. exports and create jobs at home.



# Charting Our Progress

U.S. companies continue to confront challenges in the sale of their goods and services around the world. USTDA's program tools are targeted to promote U.S. commercial interests in those challenging markets. To ensure taxpayer dollars are used wisely and USTDA is accomplishing its mission, the Agency maintains a robust evaluation process that provides credible information about what its program activities have achieved for U.S. companies and overseas partners.

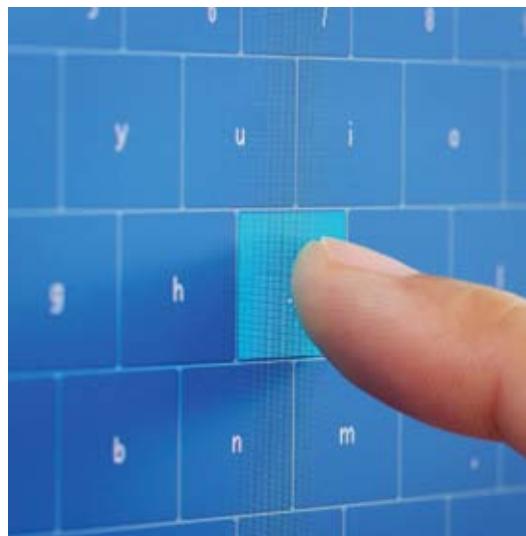
USTDA evaluates the success of each project by measuring its impact on the host country and the U.S. exports generated as a result. USTDA continually monitors, tracks, and analyzes the results of its activities to determine the overall effectiveness of its tools, inform future funding decisions, and ensure oversight and accountability of the Agency's programs.



## RESULTS TO DATE: AN UPWARD TREND

Over the last four years, USTDA has observed an increase in the return in exports on its investments. For the current evaluation period, every \$1 of USTDA program funding has generated \$63 in U.S. exports. This result demonstrates the Agency's ability to help achieve the President's goals for the National Export Initiative, meet the needs of developing and middle-income countries, and promote America's commercial goals through the export of U.S.-manufactured goods and services.

Since USTDA's creation in 1992, its program has contributed to more than \$32.9 billion in U.S. exports. In FY 2012 alone, USTDA identified \$2.2 billion in new exports. \$313.8 million of these new exports are a result of projects completed between 2010 and the present. As these projects continue to be implemented, USTDA will be able to identify additional U.S. export success.





THE PATH FORWARD

Looking ahead, the rigorous analysis of USTDA's results will continue to enable better program management and evidence-based decision making, which will result in positive impacts for USTDA's clients and partners.



**\$63**

Exports generated for each \$1 invested

**\$32.9 billion**

Total U.S. exports generated by USTDA programs

**105**

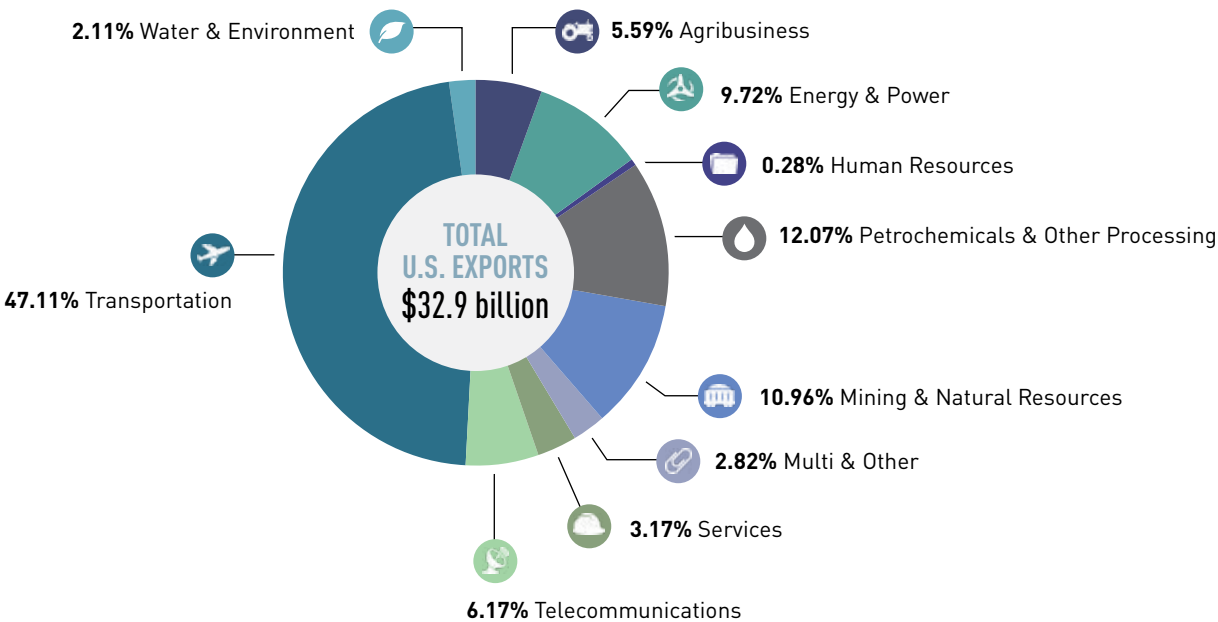
The number of activities USTDA funded in FY 2012

**88%**

Of USTDA's activities have been awarded to small businesses in FY 2012

EXPORTS BY SECTOR

From 1992 to 2012, USTDA's programs generated approximately \$32.9 billion in U.S. exports.



# USTDA PROGRAMS: Tools for Growth

USTDA's Annual Report is designed not only to report on the fiscal year, but also to showcase our “toolbox” of activities and programs to help U.S. businesses achieve President Obama's goal of doubling U.S. exports by the end of 2014.

## Reverse Trade Missions: Making Connections



*A delegation of East African transport officials views U.S. equipment that would aid the rehabilitation of critical railways and assist in upgrading freight cars.*

Reverse trade missions provide unique opportunities to foster business relationships and build long-lasting partnerships between U.S. businesses and our overseas partners. During FY 2012, USTDA hosted numerous reverse trade missions to introduce U.S. businesses to foreign delegates and business opportunities overseas. As a key element of USTDA's support of the *National Export Initiative*, these carefully planned missions enable foreign delegates to visit the United States to observe the design, manufacture, and demonstration of goods and services that can help the delegates achieve their development goals. The reverse trade missions are planned to target current and near-term business opportunities, which can create immediate results and export successes for U.S. businesses.

In FY 2012, USTDA introduced more than 600 foreign delegates to more than 1,000 U.S. company representatives across the United States. These foreign delegates included ministers, mayors, and senior public and private sector officials from emerging markets.

**East Africa.** Recognizing the increase in rail infrastructure investments taking place in East Africa, USTDA sponsored a reverse trade mission for officials from Rift Valley Railways (RVR) and the Government of Uganda. RVR, the private concessionaire operating the critical rail link between Kenya's largest port, Mombasa, and Uganda's capital city, Kampala, is embarking on a major investment program to rehabilitate the rail line and fleet. During the visit, the delegation was introduced to both large and small rail companies in Colorado, Virginia, Maryland, Illinois, and Pennsylvania. The delegation also had an opportunity to discuss industry best practices with U.S. rail sector experts and explore financing options and strategies with the Export-Import Bank of the United States and the Overseas Private Investment Corporation.

**Brazil.** Following the April 9, 2012, signing of a Memorandum of Understanding to launch the *U.S.-Brazil Aviation Partnership*, USTDA began



*Following the launch of the U.S.-Brazil Aviation Partnership, USTDA hosts a delegation of Brazilian airport officials on a visit to explore U.S. aviation technologies and services.*



*A Turkish delegation visits U.S. facilities to observe demonstrations of smart grid applications.*

a concerted effort to strengthen the ties between the U.S. and Brazilian aviation sectors. During the first official activity under the *Aviation Partnership* in June, USTDA hosted a delegation of Brazilian federal and state level aviation sector officials on a reverse trade mission focused on U.S. technologies and best practices for airports modernization. The delegation met with companies in Washington, D.C., Florida, Georgia, and Louisiana and toured recently upgraded airports as well as airports that have successfully managed high volume, high profile events, similar to what Brazil will encounter for the World Cup in 2014 and the Summer Olympics in 2016.

**Turkey.** Building upon the strong partnership between USTDA and the Turkish Ministry of Energy and Natural Resources, the Agency sponsored a visit by Turkish electricity sector officials to the United States in April 2012. The visit provided Turkish distribution and transmission companies, along with Ministry officials and regulators, with an understanding of the benefits of smart grid technology and how it could be employed in Turkey.

During their two-week visit to the United States, the delegates met with many U.S. leaders in smart grid technology and toured facilities of U.S. equipment manufacturers, electrical utilities, and software developers. As a result of the relationships formed during the visit, the delegation has already undertaken many follow-on discussions with U.S. companies and many new commercial partnerships are anticipated in the near term.

## SUCCESS STORY:

# Africa: Building a Stronger Agricultural Base

In 2010 and 2011, USTDA organized two agribusiness reverse trade missions, which brought farmers from sub-Saharan Africa to the United States to meet with U.S. companies and observe U.S. agricultural operations. These visits led to a number of export successes for U.S. companies, demonstrating that the RTM program successfully introduced African farmers to U.S. equipment and service providers. Both of the visits focused on encouraging the implementation of large-scale agribusiness projects in sub-Saharan Africa, while also deepening ties between U.S. companies and African agribusiness operators.

During these two RTMs, the delegates visited U.S. agribusiness companies in several states, including Nebraska, North Dakota, Minnesota, Iowa, Utah, Idaho, and Missouri. These two visits have led to a total of over \$13 million in exports of U.S. equipment and services, with additional sales pending. Delegates purchased products from multiple companies such as Titan Machinery and Brandt Holdings (Fargo, ND), John Deere (Moline, IL), Case New Holland (Racine, WI), Mack (Greensboro, NC), AGCO (Duluth, GA), Great Plains (Salinas, KS), and Landoll (Marysville, KS). These products and services will assist the African farmers in improving and expanding their agricultural operations and increasing food security in sub-Saharan Africa.



*African delegates visit farms throughout the United States to study modern irrigation practices.*

# Conferences and Workshops: Identifying Opportunities, Showcasing Technologies

USTDA hosts conferences and workshops to help build partnerships and provide export opportunities for U.S. companies. In FY 2012, events such as the *South Africa Smart Grid Workshop* and *U.S.-India Aviation Summit* allowed U.S. companies to showcase their technologies and services, as well as meet with foreign project sponsors and potential customers.

In FY 2012, USTDA continued to host conferences and workshops in the United States and overseas that brought together leaders from the public and private sectors to discuss specific business opportunities in key sectors and markets around the world. These meetings provide U.S. companies with vital knowledge on specific programs and activities that could positively impact their businesses, while supporting the *National Export Initiative*.

**China.** To ensure Zhuhai Helicopter Company (ZHC) is better able to respond to offshore emergencies on oil platforms, such as oil spills or weather-related evacuations, USTDA supported Sikorsky's effort to win a contract award to provide 10 helicopters to ZHC. By providing a training grant to support helicopter maintenance and flight skills training, USTDA's efforts leveled the playing field for Sikorsky to secure the sale. As a result, USTDA's efforts are supporting over 3,000 U.S. jobs while helping to maintain Sikorsky's role as the exclusive supplier to ZHC, one of the largest general aviation entities in China.

**South Africa.** To help South Africa reach its goal of providing universal access to reliable, affordable electricity through clean energy resources and technologies, in October 2011 USTDA hosted a smart grid workshop in Johannesburg. At the workshop, U.S. and South African energy leaders shared information and technological solutions to address access to electricity, long considered essential to economic development and of particular importance in South Africa's rapidly expanding economy. The workshop also allowed the participants to explore state-of-the-art technologies, equipment and services, as well as policies and financing mechanisms that can support the implementation of smart grid projects throughout South Africa.



*South African delegates visit a smart grid test facility to learn about technologies designed to increase energy efficiency.*

**India.** In November 2011, USTDA and India's Ministry of Civil Aviation co-hosted the 3rd *U.S.-India Aviation Summit* in New Delhi. Joining the *Summit* were hundreds of attendees interested in strengthening the long-term strategic and commercial relationship between the U.S. and Indian aviation industries. Participants discussed specific business opportunities and learned about resources available to expand India's growing aviation sector.

This Summit was again co-organized by USTDA, the U.S. Federal Aviation Administration, and the U.S.-India Aviation Cooperation Program (ACP), a bilateral public-private partnership designed to encourage cooperation between the U.S. and Indian aviation sectors. To further this commercial relationship, USTDA concluded its fourth agreement with the Airports Authority of India to assist their efforts to modernize air traffic management systems, the results of which will better enable India to keep pace with increasing passenger and cargo traffic into and out of the country.



**ASEAN.** Following the launch of the *U.S.-ASEAN Connectivity Cooperation Initiative* in 2011, USTDA hosted the inaugural event, the U.S.-ASEAN Emergency Preparedness Workshop, in Bangkok, Thailand. In response to recent natural disasters across Southeast Asia, the Workshop helped the relevant authorities from across the region identify appropriate technical and operational solutions to adequately prepare for and effectively recover from future natural hazards, which include recurring seasonal typhoons, monsoons, floods, earthquakes, volcanic eruptions, and tsunamis.

The workshop included discussions about regional cooperation for disaster risk reduction and emergency preparedness; technology applications for managing disaster risk; terrestrial and satellite telecommunications applications for emergency response; meteorological tracking; and early warning systems.



*Delegates from the ASEAN region and U.S. industry join together to share technology solutions and best practices for emergency response from natural disasters.*



© STR/epa/Corbis

## SUCCESS STORY:

# India: Commercial Cooperation Continues to Take-Off

In 2009, USTDA partnered with U.S. industry and key Indian government agencies to organize the 2nd *U.S.-India Aviation Summit*. The *Summit* provided momentum to the growing strategic and commercial relationship between the Indian and U.S. aviation sectors. As a direct result of the Summit, USTDA has identified over \$300 million in sales from U.S. firms to the Indian aviation industry.

The two-and-a-half-day conference, which was complemented by two days of site visits, attracted senior-level participation and broad representation from the U.S. and Indian aviation communities from both the public and private sectors. The Summit assisted the Airports Authority of India and the Directorate General of Civil Aviation in identifying advanced technologies and best practices that would serve the expansion and modernization needs for India's continued sector growth. Already, companies from Washington, Wisconsin, New York and Colorado have secured sales for aircraft, engineering services, and airport expansion equipment to airlines and airports across India.

# Feasibility Studies and Pilot Projects: Getting It Right from the Start

Agency-funded and U.S.-led feasibility studies link foreign project sponsors with U.S. businesses at the critical early stage when technology options and project requirements are defined. These studies provide the comprehensive analysis required for major infrastructure investments to achieve financing and implementation.

In some cases, export opportunities depend on a demonstration of the U.S. seller's goods, services, or technologies in the foreign buyer's setting. USTDA-funded pilot projects demonstrate the effectiveness of U.S. solutions and provide the analysis, evaluation, and empirical data needed for potential foreign projects to secure funding. Pilot projects have proven to be an excellent tool to showcase U.S. capabilities as highlighted in the success story on the following page.

**India.** In support of the Indian company CESC Limited's efforts to improve the efficiency and reliability of the power grid for its 2.5 million customer network, USTDA funded a feasibility study to assist with the implementation of smart grid technologies. By implementing state-of-the-art energy infrastructure, CESC will be better able to manage the electricity supply and distribution

network in Kolkata, India. USTDA's support addresses a range of improvements including the integration of smart meters and automated meter reading into CESC's distribution system. The project is a key example of USTDA's continued support for the U.S.-India Energy Cooperation Program, a unique public-private partnership between U.S. and Indian member companies and the governments of the respective countries.

**China.** To support China's efforts to reduce its harmful emissions from coal-fired power plants, USTDA funded a feasibility study to examine effective measures for curbing the release of nitrogen oxide (NOx) and other pollutants. The study will develop a roadmap for China's power industry to reduce emissions by devising a technical solution for ten power plants. LP Amina, a small, Charlotte, NC-based environmental engineering firm is undertaking the study. LP Amina successfully leveraged its participation in the U.S.-China Energy Cooperation Program to identify partners and potential buyers of its technology, including Huaneng Shandong Power Company. Deployment of these innovative solutions will help to increase fuel efficiency and cut emissions in addition to supporting U.S. jobs.

**South Africa.** To help the City of Cape Town improve its delivery of affordable, reliable internet services, USTDA provided grant assistance for a digital inclusion feasibility study in Khayelitsha and Mitchells Plain. The study will evaluate the viability of implementing a wireless access network for households and businesses in two currently underserved areas in the Cape Town metropolitan area. Khayelitsha and Mitchells Plain are among South Africa's largest and fastest growing townships, both in terms of population and economic activity. Access to affordable, reliable internet services in these communities will support the delivery of several other

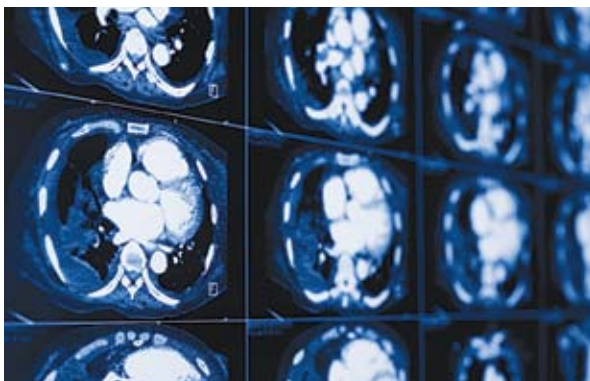




*A student at the city library in Cape Town participates in the SmartCape project, which seeks to provide internet access to all citizens through the public library system.*

critical services, such as health and education, and will also help to integrate these communities into both the regional and global markets.

**Romania.** In response to strong interest from several leading U.S. healthcare companies, USTDA provided a grant to Romania’s Ministry of Health to support the deployment of health telecommunications solutions for ten Romanian hospitals. With a significant portion of the country’s population living in rural areas without access to quality healthcare, the incorporation of a robust telemedicine program into Romania’s health system will greatly improve citizen access to key medical services. This program will help position U.S. companies for advanced medical imaging, processing, and communications systems as Romania invests in further upgrading its healthcare infrastructure.



## SUCCESS STORY:

# China: Pilot Project Demonstrates the Strength of U.S. Technologies

Assisting Sutron’s (Sterling, VA) efforts to expand sales in China for water monitoring technologies, USTDA supported a feasibility study and pilot project to demonstrate Sutron’s state-of-the-art technology along the Yangtze River and its tributaries. Such technology is critical to identifying and responding to pollutants and water degradation in order to provide clean drinking water to millions of people.

Based on the success of the pilot project, other water authorities in China took notice and approached Sutron to purchase their technology. As an industry leader capable of providing complete system integrity from engineering and design to manufacturing, installation and long-term maintenance, Sutron was able to respond to China’s needs and secured their first sale in 2012 as a direct result of the pilot project. Sutron’s data collection, alarm, and control software will now allow China to receive, process, calculate, analyze and distribute water monitoring data in real time via multiple electronic platforms.



*Sutron’s state-of-the-art monitoring system gathers critical water management information.*

Photo courtesy of Sutron



# Technical Assistance: Creating a Favorable Business and Trade Environment

USTDA advances economic growth in partner countries by funding technical assistance that supports legal and regulatory reform related to commercial activities and infrastructure development, the establishment of industry standards, and infrastructure planning activities. These technical assistance programs facilitate favorable business and trade environments for U.S. goods and services. Technical assistance is a significant component of USTDA's strategy for creating U.S. exports and U.S. jobs, while at the same time promoting growth in partner countries.

**Brazil.** Tremendous growth is occurring in all modes of transportation throughout Brazil. To help the country meet its future transportation needs, USTDA funded technical assistance for both air and surface transportation projects in Brazil during FY 2012. For EcoRodovias, a Brazilian intermodal logistics and highway concessionaire, USTDA provided technical assistance to upgrade and expand the company's use of intelligent transportation system technologies on its extensive highway network. The technical assistance will provide EcoRodovias with a detailed implementation plan for the acquisition, deployment, and integration of new intelligent transportation technologies into its transportation infrastructure. In the aviation sector, USTDA provided funding to the Bahia State Infrastructure Secretariat to support the development of a roadmap and implementation plan for the modernization and expansion of Bahia's airport network.



*Cars pass through the nighttime streets of downtown Rio de Janeiro.*



*A conduit attached to the bottom of a bridge in Vietnam.*

**Vietnam.** Addressing the role that modern information technology can play in improving water supply performance and efficiency in Vietnam, USTDA awarded a technical assistance grant to develop an implementation plan for an ICT management system for Ho Chi Minh City's (HCMC) water supply network. The project is designed to help the Saigon Water Corporation (SAWACO) connect with U.S. providers of technologies and expertise as part of the expansion of the city's water systems and to assist SAWACO in reaching its goal of supplying 100 percent of consumers in HCMC with potable water by 2025. The technical assistance will help create opportunities for U.S. firms to compete for ICT sector opportunities including consulting and project implementation services, and will facilitate the export of U.S. software and hardware products, including scientific monitoring equipment.





**Mexico.** Mexico plans to invest in excess of one billion dollars to implement smart grid infrastructure over the next decade in order to improve electricity stability and reliability, while supporting the integration of additional renewable energy resources. To assist Mexico in achieving its goal, USTDA awarded a grant to Mexico's Comisión Reguladora de Energía (CRE) to support the development of a regulatory framework for smart grid implementation throughout the country. The technical assistance will outline the critical components of a regulatory framework necessary to support smart grid deployment in Mexico, a key element in the Administration's Energy and Climate Partnership of the Americas and the U.S.-Mexico Bilateral Framework on Clean Energy and Climate Change. The project was complemented by a reverse trade mission in August 2012, which familiarized Mexican regulatory and power utility company representatives with the U.S. smart grid regulatory environment and advanced U.S. smart grid technologies and equipment.

## SUCCESS STORY:

# Philippines: Lighting the Way for a Stronger Economy

Supporting the Philippines' efforts to provide power to those in need was at the heart of an initiative to expand rural electrification throughout the country. Working with the Philippine Rural Electrification Financing Corporation (REFC), USTDA supported a technical assistance program that laid the foundation for REFC to begin to meet the demand of 40 electric power cooperatives.

By supporting detailed investment needs assessments, loan request documentation and on-the-ground training to REFC employees, USTDA's assistance is bringing power to those in need and creating opportunities for U.S. companies to supply critical components for such an undertaking.

As a result, sales contracts were secured by U.S. companies based in Oregon, Wisconsin, and Missouri. Recognizing the importance of this effort and the demonstrated commitment of REFC to work with and implement the recommended solutions, USTDA is supporting a second phase of technical assistance. The program is designed to help improve reliability, reduce distribution system losses and improve financial viability for rural electric cooperatives in the Philippines. When fully implemented, this project will improve access to consistent power supply for over 100 electric cooperatives serving approximately seven million customers throughout the Philippines.



*Transmission systems are installed in the Philippines.*

© ROMEO RANOCO/Reuters/Corbis

# Client Resources

## Internet — [www.ustda.gov](http://www.ustda.gov)

USTDA's website provides comprehensive information on its program, current business opportunities, upcoming events, completed reports, Agency news, and recent publications.

## Requests for Proposals (RFP)

USTDA posts RFP announcements about current business opportunities with the Agency and its overseas grant recipients on the Federal Business Opportunities (FBO) website at [www.fbo.gov](http://www.fbo.gov). Links to the FBO postings are available on USTDA's website at [www.ustda.gov](http://www.ustda.gov). RFP packages may be requested electronically via USTDA's website.

## On-Line Consultant Database

Many USTDA activities are reserved exclusively for small businesses. Small U.S. businesses interested in being considered for contracting opportunities with USTDA can register with the Agency's On-line Consultant Database on the Agency's website. Businesses should also register with the U.S. Government's Central Contractor Registration website at [www.ccr.gov](http://www.ccr.gov).

## Library

USTDA's library maintains final reports of Agency-funded activities and can provide electronic copies of those reports upon request by e-mailing [library@ustda.gov](mailto:library@ustda.gov). Furthermore, USTDA posts new reports directly on its website, [www.ustda.gov](http://www.ustda.gov).

## Publications

The Agency distributes a biweekly eNewsletter, *Trade Posts*, to provide information about USTDA's activities and events. Visit USTDA's website to sign up to receive *Trade Posts*. Requests for copies of printed publications can also be made via the Agency's website.

## Questions about USTDA

General inquiries about USTDA's program can be made by calling (703) 875-4357, faxing (703) 875-4009, e-mailing [info@ustda.gov](mailto:info@ustda.gov), or completing the Contact Form on the Agency's website.

To contact USTDA's program staff, send an e-mail to your region of interest:

- **East Asia:**  
[East\\_Asia@ustda.gov](mailto:East_Asia@ustda.gov)
- **Latin America and the Caribbean:**  
[LAC@ustda.gov](mailto:LAC@ustda.gov)
- **Middle East, North Africa, Europe and Eurasia:**  
[MENA\\_EE@ustda.gov](mailto:MENA_EE@ustda.gov)
- **South and Southeast Asia:**  
[South\\_Southeast\\_Asia@ustda.gov](mailto:South_Southeast_Asia@ustda.gov)
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[Africa@ustda.gov](mailto:Africa@ustda.gov)

## USTDA Executives and Department Heads

To contact a USTDA Staff member, please call our main office line at 703-875-4357.

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Regional Director, East Asia ..... Geoffrey Jackson  
Director, Public Affairs and  
Congressional Relations ..... Thomas R. Hardy  
Director for Export Promotion ..... Leila Aridi Afas  
Regional Director,  
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Regional Director, Middle East,  
North Africa, Europe and Eurasia ..... Carl B. Kress  
Regional Director,  
South and South East Asia ..... Henry Steingass  
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Grants Administrator,  
Office of Grants Administration ..... Pat Daughetee  
Chief Financial Officer ..... Liz Gustafson  
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Office of Contracts ..... Lori Donovan  
Administrative Officer  
Office of Administration ..... Carolyn Hum  
Chief Information Officer,  
Office of Information Technology ..... Thomas R. Hardy

# SUMMARY OF FY 2012 PROGRAM ACTIVITIES

## USTDA ACTIVITIES

By Value of Obligations

	2010		2011		2012	
DM/Desk Studies	\$3,359,888	6.8%	\$1,816,914	4.4%	\$2,076,927	4.8%
Feasibility Studies	\$22,783,352	46.1%	\$17,251,963	42.0%	\$14,141,409	32.2%
Reverse Trade Mission	\$8,720,844	17.7%	\$8,745,649	21.3%	\$10,542,425	24.0%
Technical Assistance	\$13,723,325	27.7%	\$11,355,473	27.6%	\$12,854,646	29.3%
Trade-Related Training	\$106,000	0.2%	\$300,000	0.7%	\$781,834	1.8%
Workshop/Conferences	\$511,850	1.0%	\$1,242,351	3.0%	\$3,176,034	7.2%
Other	\$265,784	0.5%	\$373,494	1.0%	\$349,651	0.7%
<b>Total</b>	<b>\$49,471,032</b>	<b>100%</b>	<b>\$41,085,844</b>	<b>100%</b>	<b>\$43,922,926</b>	<b>100%</b>

## USTDA ACTIVITIES BY ECONOMIC SECTOR

By Value of Obligations

	2010		2011		2012	
Agribusiness	\$667,221	1.3%	\$819,070	2.0%	\$0	0%
Clean Energy/Energy Efficiency	\$22,453,434	45.4%	\$15,527,145	37.8%	\$16,335,973	37.2%
Human Resources	\$1,046,024	2.1%	\$1,558,479	3.8%	\$1,135,744	2.6%
Manufacturing	\$472,343	1.0%	\$290,058	0.7%	\$0	0%
Mining & Natural Resources	\$117,389	0.2%	\$846,899	2.0%	\$91,453	0.2%
Multi-Sector & Other	\$2,220,940	4.5%	\$947,000	2.3%	\$675,224	1.5%
Services	\$4,367,970	8.9%	\$4,220,618	10.3%	\$2,298,610	5.2%
Telecommunications	\$3,034,904	6.1%	\$4,429,963	10.8%	\$3,282,419	7.5%
Transportation	\$10,942,456	22.1%	\$11,018,381	26.8%	\$17,373,332	39.6%
Water & Environment	\$4,148,347	8.4%	\$1,428,231	3.5%	\$2,730,171	6.2%
<b>Total</b>	<b>\$49,471,032</b>	<b>100%</b>	<b>\$41,085,844</b>	<b>100%</b>	<b>\$43,922,926</b>	<b>100%</b>

## FY 2012 PROGRAM ACTIVITIES LISTED BY REGION

COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
<b>East Asia</b>						
China	Helicopter Flight Skill and Maintenance Training	Training	Flight Safety International	West Palm Beach	FL	500,000
China	USFCS Specialist Wan Xiaolei	Technical Assistance	U.S. Department of Commerce	Washington	D.C.	5,000
China	NOx Technology Implementation System Development	Desk Study	Walter I. Serbetci dba ENERCON America	Chicago	IL	8,000
China	Integrated Smart Grid Communication Model	Desk Study	CJ Aron Associates, Inc. dba Greenmax Capital Advisors New York Office	New York	NY	8,000
China	Electric Vehicles Charging Systems	Desk Study	Constant Group, LLC	Maywood	NJ	7,800
China	Aviation Technical Assistance (ATA) Workshop Series	Technical Assistance	The American Chamber of Commerce in China Fund	Washington	DC	240,000
China	U.S.-China Aviation Cooperation Program Phase VIII	Desk Study	Montgomery Consulting Group, Inc.	Winter Park	FL	9,000
China	Groundwater Investigation Pilot Project	Desk Study	Millennium Science & Engineering, Inc. (MSE)	Chantilly	VA	5,000
China	Clean Energy Exchange Program, Phase II	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	719,747
China	Transportation Safety and Disaster Rescue Coordination	Reverse Trade Mission	Experient, Inc.	Arlington	VA	259,724
China	Maritime Operations and Safety	Reverse Trade Mission	I.M. Systems Group, Inc.	Rockville	MD	243,579
China	U.S.-China Smart Grid Conference	Workshop/Conference	Advanced Engineering Associates International, Inc.	Boston	MA	203,000
China	Ground Water Protection and Remediation	Reverse Trade Mission	Millennium Science & Engineering, Inc. (MSE)	Chantilly	VA	247,461
China	U.S.-China Aviation Cooperation Program Phase VIII	Technical Assistance	The American Chamber of Commerce in China Fund	Washington	DC	678,000
China	U.S.-China Aviation Cooperation Program Phase VIII FAA Transfer Funds	Technical Assistance	Federal Aviation Administration (FAA)	Washington	DC	80,666
China	Groundwater and Soil Remediation Sector Opportunities	Definitional Mission	Ascendant Program Services, LLC	Silver Spring	MD	44,470
China	State-Owned Enterprise Procurement	Reverse Trade Mission	TERA International Group, Inc. (TERA)	Sterling	VA	258,611
China	Healthcare Technical Assistance Workshop Series	Technical Assistance	APCO Worldwide, Inc.	Washington	DC	240,000
China	Emissions Reduction Technology Implementation	Feasibility Study	LP Amina, LLC	Charlotte	NC	367,960
China	Smart Grid Substation Communication Architecture	Technical Assistance	Cisco Systems, Inc.	San Jose	CA	668,777
China	Desk Study Review for Shanxi Emission Monitoring	Desk Study	Eurasia Environmental Associates, LLC	Westfield	NJ	4,500
China	ACP-CAAC Airport Department Hubbing Study	Desk Study	Montgomery Consulting Group	Winter Park	FL	5,000
China	Fuel Cell Applications for Telecommunications Infrastructure	Desk Study	Invenire, Inc.	Houston	TX	6,000
China	Guangzhou Intelligent Transportation System	Desk Study	CORE International	Washington	DC	6,000
China	Shenzhen Primary Care Center	Desk Study	OMMA Healthcare, LLC	Rollinsville	CO	6,000
China	Smart City Geospatial Technology	Desk Study	GSAREH, LLC	Austin	TX	5,996
China	Helicopter Flight Skills and Maintenance Training	Desk Study	Montgomery Consulting Group	Winter Park	FL	3,000
China	China Aviation Symposium	Workshop/Conference	American Association of Airport Executives	Alexandria	VA	324,668
China	Senior Health Executive Training Program	Workshop/Conference	Telecom/Telematique, Inc.	Washington	DC	281,834
China	FY 2013 USFCS Specialist Xiaolei Wan	Technical Assistance	U.S. Department of Commerce	Washington	DC	111,204
China	Integrated Geospatial Transportation System	Feasibility Study	Rotta International	Alpharetta	GA	756,721
China	Fuel Cell Applications for Telecommunications	Feasibility Study	First Element Energy, LLC	Lenexa	KS	410,000
Regional East Asia	Advisory and Assistance Services	Technical Assistance	Brandon Megorden	Washington	DC	54,989

**Total for East Asia \$ 6,770,707**

FY 2012 PROGRAM ACTIVITIES LISTED BY REGION

COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
Latin America and Caribbean						
Brazil	Airports Modernization Technologies	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	208,015
Brazil	EcoRodovias Intelligent Transportation System Modernization and Expansion Project	Technical Assistance	Delcan Corporation	Vienna	VA	460,000
Brazil	Rio de Janeiro State Airports and Heliports Modernization Project	Technical Assistance	Selection in progress			485,000
Brazil	Manaus Water Efficiency Improvement Project	Feasibility Study	Selection in progress			485,173
Brazil	CAGECE Tertiary Wastewater Treatment Plants	Feasibility Study	Selection in progress			579,895
Brazil	Pampulha and Carlos Prates Airports Modernization	Desk Study	Price, Ronald dba QED Airport & Aviation Consultants	Ridgefield	CT	7,000
Brazil	Data Center Technologies	Reverse Trade Mission	Business Council for International Understanding	New York	NY	254,889
Brazil	Bahia Statewide Airport Modernization	Technical Assistance	Selection in progress			345,060
Brazil	Modification for the Ceara New Cargo Airport Feasibility Study	Desk Study	KED Group, LLC	Columbia	SC	1,500
Brazil	ICT Opportunities	Definitional Mission	Washington Strategic Advisors, LLC	Washington	DC	64,975
Brazil	Renewable Energy Sector Opportunities	Definitional Mission	Walter I. Serbetci dba ENERCON America	Chicago	IL	59,969
Brazil	FY 2013 USFCS Specialist Rodrigo Mota	Technical Assistance	U.S. Department of Commerce	Washington	DC	204,260
Chile	National Emergency Backbone Network	Technical Assistance	Selection in progress			514,548
Chile	Port Operational Enhancement Technologies	Reverse Trade Mission	The Meridian International Center	Washington	DC	214,391
Chile	Transportation Project Opportunities	Definitional Mission	HE Pena Jr, Transportation Consulting	Charleston	SC	50,000
Colombia	Cartagena Wastewater Treatment System	Technical Assistance	Hazen and Sawyer P.C.	Fairfax	VA	513,000
Colombia	Nationwide Program for Non-Intrusive Inspection Systems	Desk Study	Infotel International	Reston	VA	5,975
Colombia	Detailed Design of Magdalena River Port	Desk Study	Ascendant Program Services, LLC	Silver Spring	MD	7,500
Colombia	Construction of Andalucia Port on the Magdalena River	Feasibility Study	Selection in progress			550,000
Colombia	Nationwide Non-Intrusive Cargo Inspection Systems (NII)	Technical Assistance	Selection in progress			637,000
Colombia	Cali Airport Modernization and Expansion Project	Definitional Mission	Ascendant Program Services, LLC	Silver Spring	MD	49,803
El Salvador	Comalapa International Airport Passenger Terminal	Feasibility Study	Selection in progress			427,569
El Salvador	Port of La Union Vessel Traffic Program	Technical Assistance	Selection in progress			216,582
El Salvador	Ilopango-Aguacayo Hydropower	Feasibility Study	Selection in progress			742,380
Guatemala	National Airport System Modernization	Desk Study	HE Pena Jr, Transportation Consulting	Charleston	SC	3,000
Haiti	Power Sector Planning and Expansion Strategy	Desk Study	K&M Engineering and Consulting, LLC	Washington	DC	5,000
Haiti	Priority Airport Projects Desk Study Review	Desk Study	HE Pena Jr, Transportation Consulting	Charleston	SC	15,000
Mexico	Smart Grid Projects	Desk Study	Walter I. Serbetci dba ENERCON America	Chicago	IL	10,000
Mexico	Smart Grid Regulatory Framework	Technical Assistance	ESTA International, LLC	Great Falls	VA	405,000
Mexico	CFE Environmental Projects	Definitional Mission	3E Consulting LLC	Dover	NH	49,997
Mexico	ITS Modernization Projects	Definitional Mission	HE Pena Jr, Transportation Consulting	Charleston	SC	55,000
Regional LAC	Advisory and Assistance Services	Technical Assistance	Eric Toler	Washington	DC	51,994
Regional LAC	Smart Grid Reverse Trade Mission Series	Reverse Trade Mission	MFM Lamey Group	Miami	FL	387,721
Regional LAC	U.S.-Latin America Aviation Summit	Workshop/Conference	American Association of Airport Executives (AAAE)	Alexandria	VA	594,126
Regional LAC	Advisory and Assistance Services	Technical Assistance	Isabel Sepulveda	Washington	DC	54,989
Total for Latin America and Caribbean						\$ 8,716,311

Middle East, North Africa, Europe & Eurasia

Azerbaijan	Aviation Safety Phase II	Technical Assistance	The Wicks Group, PLLC	Washington	DC	582,450
Egypt	Airport ICT Modernization	Desk Study	Aviat Design Incorporated	Orlando	FL	6,740
Egypt	Information and Communications Technology	Definitional Mission	RG International Technology Consulting, LLC (RGITC, LLC)	Centreville	VA	49,858
Egypt	250 MW Wind Farm	Desk Study	Walter I. Serbetci dba ENERCON America	Chicago	IL	7,000
Egypt	Ports Sector	Definitional Mission	Interdisciplinary Research Consultants-US (IdRC-US)	Westerville	OH	59,987
Egypt	Raya Holding Data Center and Cloud Services	Feasibility Study	Selection in progress			285,804
Egypt	Summit Technology Solutions Data Center	Feasibility Study	Global Resources, Inc.	Irvine	CA	350,099
Egypt	Port Automation	Reverse Trade Mission	Agland Investment Services, Inc.	Larkspur	CA	219,803
Egypt	Cairo International Airport ICT Modernization	Technical Assistance	Selection in progress			622,225
Eurasia	Kazakhstan and Ukraine Power Sector	Definitional Mission	Constant Group, LLC	Maywood	NJ	55,000
Jordan	Smart Grid Upgrades to EDCO Network	Feasibility Study	Selection in progress			454,500
Jordan	Smart Grid Upgrades to IDECO Network	Feasibility Study	Selection in progress			318,600
Jordan	Smart Grid Upgrades to JEPCO Network	Feasibility Study	Selection in progress			383,400
Jordan	Jordan Electronic Health Technologies	Reverse Trade Mission	TRI			170,124
Jordan	Photovoltaic Solar Power Plant	Desk Study	3E Consulting LLC	Dover	NH	5,000
Kazakhstan	Monitoring and Diagnostic Systems	Technical Assistance	Central Point, LLC	Alexandria	VA	237,344
Kazakhstan	Integrated Gas Production and Processing	Feasibility Study	Selection in progress			626,000
Kyrgyzstan	Manas Airport Strategy	Desk Study	Montgomery Consulting Group	Winter Park	FL	3,000
Kyrgyzstan	Manas International Airport Business Plan Development	Technical Assistance	Ascendant Program Services, LLC	Silver Spring	MD	118,671
Libya	ICT Sector	Definitional Mission	Network Dynamics Associates, LLC	Weston	CT	75,000
Libya	Transportation Sector	Definitional Mission	Ascendant Program Services, LLC	Silver Spring	MD	79,981
Libya	Power Generation Sector	Definitional Mission	Energy Markets Group	Washington	DC	80,000
Libya	Information and Communication Technology	Reverse Trade Mission	National U.S.-Arab Chamber of Commerce	Washington	DC	345,602
Libya	Transportation Safety and Security	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd.	Washington	DC	381,130
Libya	Natural Gas-Fired Power Generation	Reverse Trade Mission	Experient	Arlington	VA	251,587
Libya	Internet Exchange Points	Technical Assistance	Packet Clearing House	San Francisco	CA	80,000
Morocco	Solar PV Rooftop Project	Feasibility Study	POWER Engineers	Boise	ID	666,619
Morocco	Port of Casablanca Safety and Security	Feasibility Study	AECOM	Los Angeles	CA	571,458
Morocco	Tangier Med Green Port Development	Desk Study	Ascendant Program Services, LLC	Silver Spring	MD	3,000
Morocco	Electricity Transmission and Distribution	Definitional Mission	Constant Group, LLC	Washington	DC	58,500
Morocco	Aviation Sector	Definitional Mission	KED Group, LLC	Washington	DC	59,993
Romania	Virtual Power Plant Smart Grid Pilot Study	Desk Study	U.S. Power Consult	Maywood	NJ	7,000
Romania	Aviation Surveillance Modernization	Technical Assistance	Selection in progress			513,170
Romania	Telemedicine Solutions for Rural Areas	Desk Study	OMMA Healthcare, LLC	Rollinsville	CO	5,000
Romania	Telemedicine Solutions for Rural Areas	Feasibility Study	Selection in progress			422,786



## FY 2012 PROGRAM ACTIVITIES LISTED BY REGION

COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
Turkey	Intelligent Transportation Systems	Reverse Trade Mission	Experient, Inc.	Arlington	VA	123,660
Turkey	Coal Bed Methane Recovery and Utilization	Feasibility Study	Advanced Resources International, Inc.	Arlington	VA	449,960
Turkey	Smart Grid	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd.	Washington	DC	291,310
Turkey	Geothermal	Desk Study	CORE International	Washington	DC	10,000
Turkey	Greater Istanbul Municipality Technology Center Consolidation	Technical Assistance	Selection in progress			595,743
Turkey	U.S. - Turkey Smart Grid Workshop	Workshop/Conference	MFM Lamey Group	Miami	FL	293,573
Turkey	Smart Grid Applications in Power Transmission	Desk Study	CORE International	Washington	DC	5,000
Turkey	Smart Grid Applications in Power Distribution	Desk Study	CORE International	Washington	DC	5,000
Ukraine	Rail Runner Intermodal System	Desk Study	The Seneca Group, LLC	Washington	DC	8,000
Ukraine	Summy Waste Recycling and Refuse Derived Fuel Plant	Feasibility Study	Kitko Corporation	Skokie	IL	350,000
Ukraine	Power Plant Modernization	Reverse Trade Mission	Global Marketing and Communications	Boston	MA	230,767
Ukraine	Pilot Gas Condensate Production Project	Technical Assistance	Selection in progress			723,659
Ukraine	Burshtynskaya Power Plant Modernization	Feasibility Study	Selection in progress			602,435
Regional MENAEE	Advisory and Assistance Contract	Technical Assistance	Hubbard, Peter			51,994
Regional MENAEE	Romania and Latvia Aviation	Reverse Trade Mission	Millennium Science & Engineering, Inc. (MSE)	Chantilly	VA	210,035
Regional MENAEE	Advisory and Assistance Contract	Technical Assistance	Kendra Kintzi			14,759
Regional MENAEE	Advisory and Assistance Contract	Technical Assistance	Nadya Saber			51,994
Regional MENAEE	Business Development Mission	Technical Assistance	Greenip, Scott	Crofton	MD	29,741

**Total for Middle East, North Africa and Europe \$ 12,204,060**

## South and Southeast Asia

India	Oil & Gas Sector — Offshore Oil and Gas Safety	Technical Assistance	Dept of Interior - Bureau of Safety & Environmental Enforcement	Washington	DC	91,453
India	Air Traffic Flow Management System and Pilot	Technical Assistance	Metron Aviation	Dulles	VA	500,000
India	Superconductor Power Cable	Desk Study	Reilly Associates	Pittston	PA	7,000
India	Wide Area Monitoring Protection and Control	Desk Study	Subramanian, Sundaresan	Buffalo Grove	IL	7,000
India	Bulk Liquefied Petroleum Gas	Desk Study	Invenire, Inc.	Houston	TX	7,000
India	CESC Smart Grid	Desk Study	CORE International	Washington	DC	7,000
India	Rural Micro-Grid Solar Power	Feasibility Study	Selection in progress			476,670
India	Transportation Infrastructure Exchange	Reverse Trade Mission	Meridian International Center	Washington	DC	459,543
India	Emergency Response (RTM)	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	209,235
India	Aviation Sector	Desk Study	Montgomery Consulting Group	Winter Park	FL	200
India	CESC Smart Grid	Feasibility Study	Selection in progress			618,860
India	Indian Railways Technologies and Processes	Desk Study	The Seneca Group, LLC	Washington	DC	7,000
India	ACP Aviation Sector	Definitional Mission	KED Group, LLC	Washington	DC	74,919
India	Aviation Security Workshop	Workshop/Conference	American Association of Airport Executives	Alexandria	VA	278,989
India	U.S.-India Aviation Partnership Summit	Workshop/Conference	American Association of Airport Executives	Alexandria	VA	347,336
India	FY 2013 USFCS Specialist Mehnaz Ansari	Technical Assistance	U.S. Department of Commerce	Washington	DC	119,298
Indonesia	Indonesia Unconventional Gas Development	Reverse Trade Mission	Experient, Inc.	Arlington	VA	240,736
Indonesia	Information and Communications Technology Sector Projects	Definitional Mission	RG International Technology Consulting, LLC (RGITC, LLC)	Centreville	VA	75,978
Pakistan	Business Development Mission	Technical Assistance	Henry Steingass	Washington	DC	3,191
Pakistan	Energy Sector Projects	Definitional Mission	Energy Markets Group	Washington	DC	5,000
Pakistan	Liquefied Petroleum Gas Transport Fuel Conversion	Desk Study	TERA International Group, Inc.	Sterling	VA	3,000
Pakistan	Business Development Mission	Technical Assistance	Jacob Flewelling	Washington	DC	16,230
Pakistan	Karachi-Lahore Railway Access and Locomotive Acquisition	Technical Assistance	Selection in progress			628,000
Pakistan	Energy Sector	Definitional Mission	Zahid Khan dba EECE	Cape Canaveral	FL	118,795
Pakistan	Banking Information Technology Modernization	Reverse Trade Mission	Business Council for International Understanding (BCIU)	New York	NY	319,089
Pakistan	Biomass Power Plant and Waste Heat Recovery for Cement Producer	Feasibility Study	Selection in progress			769,000
Pakistan	Grid Modernization Pilot Project	Technical Assistance	Selection in progress			924,290
Pakistan	Back-Up Power Conversion to Methanol Fuel Cells	Feasibility Study	NFB Consulting	Long Beach	CA	462,520
Thailand	Rail Sector Modernization	Reverse Trade Mission	TERA International Group, Inc.	Sterling	VA	35,791
Thailand	Acquisition Plan for the State Railway of Thailand	Desk Study	David Burns dba David Burns Railway Consulting	River Forest	IL	6,900
Vietnam	Banking IT Modernization	Reverse Trade Mission	MFM Lamey Group	Miami	FL	274,180
Vietnam	Non-Revenue Water Reduction and Wastewater Treatment	Reverse Trade Mission	Mendez England & Associates	Bethesda	MD	261,512
Vietnam	Foreign Service National, Vietnam	Technical Assistance	U.S. Department of Commerce	Washington	DC	5,000
Vietnam	SAWACO ICT Strategy and Implementation	Technical Assistance	Selection in progress			593,660
Vietnam	Information and Communications Technology Sector Projects	Definitional Mission	Leading Associates	Dover	DE	72,000
Vietnam	USFCS Specialist Tuyet Trees	Technical Assistance	U.S. Department of Commerce	Washington	DC	31,093
Vietnam	Wind Grid Code Development	Desk Study	CJ Aron Associates, Inc. dba Greenmax Capital Advisors New York Office	New York	NY	7,000
Regional Asia	PSC, Business Development Manager	Technical Assistance	Mark Dunn			187,567
Regional Asia	ASEAN Disaster Management, Mitigation, and Response Technologies Workshop	Workshop/Conference	Business Council for International Understanding (BCIU)	New York	NY	298,537
Regional Asia	APEC Business Aviation Access	Reverse Trade Mission	American Association of Airport Executives (AAAE)	Alexandria	VA	437,084
Regional Asia	ASEAN Smart Grid and Power Transmission Workshop and RTM	Reverse Trade Mission	MFM Lamey Group	Miami	FL	454,931
Regional Asia	The Philippines and Indonesia Clean Energy Projects	Definitional Mission	Constant Group, LLC	Maywood	NJ	85,800
Regional Asia	ASEAN Connectivity Through Rail Forum	Workshop/Conference	TERA International Group, Inc. (TERA)	Sterling	VA	355,804
Regional Asia	Project Analyst Advisory Services	Technical Assistance	John Liszewski	Washington	DC	54,989
Regional Asia	USTDA Regional Office, Bangkok, Thailand	Other	U.S. Department of State	Washington	DC	116,200
Regional Asia	ASEAN Connectivity Roundtable	Other	Occasions	Washington	DC	725

**Total for South and Southeast Asia \$ 10,056,105**

FY 2012 PROGRAM ACTIVITIES LISTED BY REGION

COUNTRY	TITLE	ACTIVITY	U.S. FIRM	CITY	STATE	FUNDS OBLIGATED
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Sub-Saharan Africa

Ghana	Kotoka International Airport Air Traffic Control Center: Phase II	Technical Assistance	The LPA Group, Inc.	Falls Church	VA	322,560
Ghana	Floating LNG Storage and Regasification Unit	Reverse Trade Mission	Global Marketing and Communications	Boston	MA	288,727
Kenya	Airport Modernization	Reverse Trade Mission	Futron Corporation	Bethesda	MD	223,236
Kenya	Airport Terminal Systems at the JKIA Airport	Desk Study	HE Pena Jr, Transportation Consulting	Charleston	SC	3,000
Nigeria	Southwestern Nigeria Gas Pipeline	Feasibility Study	CORE International	Washington	DC	446,000
Nigeria	Information and Communication Technology	Definitional Mission	Washington Strategic Advisors, LLC	Washington	DC	64,887
Nigeria	Biomass Captive Power	Desk Study	CORE International	Washington	DC	5,000
Nigeria	Shiroro/Egbin Power Plants	Desk Study	3E Consulting LLC	Blacksburg	VA	5,000
Nigeria	Children's Hospital Independent Invoice Review	Desk Study	Barrer Group	Vallejo	CA	10,000
Nigeria	Lagos State CNG Infrastructure	Feasibility Study	Selection in progress			494,000
Rwanda	Banque Nationale Du Rwanda ICT Modernization	Desk Study	Douglas M Shuster dba Emerging Markets Infrastructure, LLC	Herdon	VA	3,000
Rwanda	Civil Aviation Sector	Desk Study	KED Group	Columbia	SC	12,500
Rwanda	Banque Nationale Du Rwanda ICT Modernization	Desk Study	Douglas M Shuster dba Emerging Markets Infrastructure, LLC	Herdon	VA	5,000
South Africa	Airside Capacity Enhancements	Feasibility Study	Metron Aviation Inc.	Dulles	VA	758,000
South Africa	Information and Communication Technologies	Definitional Mission	Global Resources, Inc.	Irvine	CA	70,783
South Africa	Khayelitsha and Mitchells Plain Digital Inclusion	Feasibility Study	Selection in progress			315,000
South Africa	South Africa Airways	Reverse Trade Mission	Futron Corporation	Bethesda	MD	347,480
South Africa	South Africa and Botswana Aviation Sector	Definitional Mission	Airline Capital Associates, INC	New York	NY	65,000
South Africa	Airports and Air Traffic and Navigation Services	Reverse Trade Mission	American Association of Airport Executives	Alexandria	VA	234,365
Regional SSA	Advisory and Assistance Services	Technical Assistance	Elizabeth "Lisa" Bonnikson	Washington	DC	1,083
Regional SSA	PSC, Business Development Manager	Technical Assistance	Jason Nagy			164,159
Regional SSA	Southern Africa Rail Sector	Definitional Mission	TERA International Group, Inc.	Sterling	VA	24,999
Regional SSA	Light Aircraft and Helicopter	Reverse Trade Mission	Koeppen, Elliott & Associates, Ltd. (KEA)	Washington	DC	214,320
Regional SSA	Southern African Rail Sector	Reverse Trade Mission	TERA International Group, Inc.	Sterling	VA	544,724
Regional SSA	Geothermal	Definitional Mission	Stephen Hirsch	Reno	NV	48,582
Regional SSA	East Africa Railway Modernization	Reverse Trade Mission	Business Council for International Understanding, Inc. (BCIU)	New York	NY	228,987
Regional SSA	Ghana and Nigeria Power Sector	Definitional Mission	CORE International	Washington	DC	56,000
Regional SSA	Kenya and Tanzania: Electricity Sector	Definitional Mission	CJ Aron Associates, Inc. (dba GreenMax)	New York	NY	60,041
Regional SSA	Southern Africa Solar Workshop and ReverseTrade Mission	Reverse Trade Mission	MFM Lamey Group	Miami	FL	497,915
Regional SSA	Rift Valley Railways	Desk Study	The Seneca Group, LLC	Washington	DC	8,000
Regional SSA	USTDA Regional Office, Johannesburg, South Africa	Other	U.S. Department of State	Washington	DC	215,000
Regional SSA	Intermodal Freight Transportation	Reverse Trade Mission	The Webster Group, Inc.	Washington	DC	252,412
Regional SSA	Southern Africa Solar Power Sector	Definitional Mission	Constant Group, LLC	Maywood	NJ	64,000

Total for Sub-Saharan Africa \$6,053,761

Worldwide

Worldwide	Travel Insurance Services	Other				15,000
Worldwide	Advisory and Assistance Services	Technical Assistance	Sarah Randolph			51,994
Worldwide	Advisory and Assistance Services	Technical Assistance	Veronica Faust			54,989

Total for Worldwide: \$ 121,982

GRAND TOTAL: \$ 43,922,926



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## Independent Auditors' Report

The Director  
U.S. Trade and Development Agency:

We have audited the accompanying balance sheets of the U.S. Trade and Development Agency (USTDA) as of September 30, 2012 and 2011, and the related statements of net cost, changes in net position, and statements of budgetary resources (hereinafter referred to as "financial statements") for the years then ended. The objective of our audits was to express an opinion on the fair presentation of these financial statements. In connection with our fiscal year 2012 audit, we also considered the USTDA's internal control over financial reporting and tested the USTDA's compliance with certain provisions of applicable laws, regulations, contracts, and grant agreements that could have a direct and material effect on these financial statements.

### Summary

As stated in our opinion on the financial statements, we concluded that the USTDA's financial statements as of and for the years ended September 30, 2012 and 2011, are presented fairly, in all material respects, in conformity with U.S. generally accepted accounting principles.

As discussed in our Opinion on the Financial Statements, the USTDA changed its presentation for reporting the Statement of Budgetary Resources in fiscal year 2012.

Our consideration of internal control over financial reporting was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined in the Internal Control Over Financial Reporting section of this report.

The results of our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*, as amended.

The following sections discuss our opinion on the USTDA's financial statements; our consideration of the USTDA's internal control over financial reporting; our tests of the USTDA's compliance with certain provisions of applicable laws, regulations, contracts, and grant agreements; and management's and our responsibilities.

### Opinion on the Financial Statements

We have audited the accompanying balance sheets of the United States Trade and Development Agency as of September 30, 2012 and 2011, and the related statements of net cost, changes in net position, and the statements of budgetary resources for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United States Trade and Development Agency as of September 30, 2012 and 2011, and its net costs, changes in net position, and budgetary resources for the years then ended, in conformity with U.S. generally accepted accounting principles.

As discussed in Note 1 to the financial statements, the USTDA changed its presentation for reporting the Statement of Budgetary Resources in fiscal year 2012, based on new reporting requirements under OMB Circular No. A-136, *Financial Reporting Requirements*. As a result, the USTDA's Statement of Budgetary Resources for fiscal year 2011 has been adjusted to conform to the current year presentation.

U.S. generally accepted accounting principles require that the Management's Discussion and Analysis (MD&A) section, be presented to supplement the basic financial statements. Such information, although not a part of the

basic financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Internal Control Over Financial Reporting**

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the Responsibilities section of this report and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. In our fiscal year 2012 audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

The results of certain of our tests of compliance as described in the Responsibilities section of this report, exclusive of those referred to in the *Federal Financial Management Improvement Act of 1996 (FFMIA)*, disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or *OMB Bulletin No. 07-04*.

The results of our other tests of compliance as described in the Responsibilities section of this report, exclusive of those referred to in FFMIA, disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards* or *OMB Bulletin No. 07-04*.

The results of our tests of FFMIA disclosed no instances in which the USTDA's financial management systems did not substantially comply with the (1) Federal financial management systems requirements, (2) applicable Federal accounting standards, and (3) the United States Government Standard General Ledger at the transaction level.

\* \* \* \* \*

**Responsibilities**

**Management's Responsibilities.** Management is responsible for the financial statements; establishing and maintaining effective internal control over financial reporting; and complying with laws, regulations, contracts, and grant agreements applicable to the USTDA.

**Auditors' Responsibilities.** Our responsibility is to express an opinion on the fiscal year 2012 and 2011 financial statements of the USTDA based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *OMB Bulletin No. 07-04*. Those standards and *OMB Bulletin No. 07-04* require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the USTDA's internal control over financial reporting. Accordingly, we express no such opinion.



An audit also includes:

- Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- Assessing the accounting principles used and significant estimates made by management; and
- Evaluating the overall financial statement presentation.

We believe that our audits provide a reasonable basis for our opinion.

In planning and performing our fiscal year 2012 audit, we considered the USTDA's internal control over financial reporting by obtaining an understanding of the USTDA's internal control, determining whether internal controls had been placed in operation, assessing control risk, and performing tests of controls as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the USTDA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the USTDA's internal control over financial reporting. We did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

As part of obtaining reasonable assurance about whether the USTDA's fiscal year 2012 financial statements are free of material misstatement, we performed tests of the USTDA's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts, and certain provisions of other laws and regulations specified in OMB Bulletin No. 07-04, including the provisions referred to in Section 803(a) of FFMA. We limited our tests of compliance to the provisions described in the preceding sentence, and we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to the USTDA. However, providing an opinion on compliance with laws, regulations, contracts, and grant agreements was not an objective of our audit and, accordingly, we do not express such an opinion.

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This report is intended solely for the information and use of the USTDA's management, OMB, the U.S. Government Accountability Office, and the U.S. Congress and is not intended to be and should not be used by anyone other than these specified parties.

**KPMG LLP**

November 7, 2012

# U.S. TRADE AND DEVELOPMENT AGENCY

## BALANCE SHEETS

As of September 30, 2012 and 2011

### ASSETS

Intragovernmental:

Fund balance with Treasury (Note 2)

Total intragovernmental

Accounts receivable, net (Note 3)

General property and equipment, net (Note 4)

Total assets

FY 2012

FY 2011

\$ 105,936,940

105,936,940

130

455,258

\$ 106,392,328

\$ 107,439,008

107,439,008

88

377,799

\$ 107,816,895

### LIABILITIES AND NET POSITION

Liabilities

Intragovernmental:

Accounts payable (Note 5)

Other liabilities (Notes 2 and 5)

Total intragovernmental

Accounts payable (Note 5)

Other liabilities (Note 5)

Total liabilities

Net position:

Unexpended appropriations

Cumulative results of operations

Total net position

Total liabilities and net position

\$ 410,012

344,960

754,972

6,635,416

618,319

8,008,707

98,368,749

14,872

98,383,621

\$ 106,392,328

\$ 270,000

11,674

281,674

6,895,481

736,140

7,913,295

100,017,436

(113,836)

99,903,600

\$ 107,816,895

The accompanying notes are an integral part of these statements.

U.S. TRADE AND DEVELOPMENT AGENCY

**STATEMENTS OF NET COST**

For the Years Ended September 30, 2012 and 2011

	FY 2012	FY 2011
<b>Cost of Operations:</b>		
Grants program costs	\$ 54,920,156	\$ 53,123,988
Less earned revenue	—	—
Net cost of operations (Notes 6 and 11)	<u>\$ 54,920,156</u>	<u>\$ 53,123,988</u>

*The accompanying notes are an integral part of these statements.*

U.S. TRADE AND DEVELOPMENT AGENCY

**STATEMENTS OF CHANGES IN NET POSITION**

For the Years Ended September 30, 2012 and 2011

	FY 2012	FY 2011
<b>Cumulative results of operations:</b>		
Beginning balances	\$ (113,836)	\$ 43,767
Budgetary financing sources		
Appropriations used	54,714,403	52,564,787
Other financing sources:		
Imputed financing	334,461	401,598
Total financing sources	55,048,864	52,966,385
Net cost of operations	(54,920,156)	(53,123,988)
Net change	128,708	(157,603)
Ending balances	<u>\$ 14,872</u>	<u>\$ (113,836)</u>
<b>Unexpended appropriations:</b>		
Beginning balances	\$ 100,017,436	\$ 104,631,325
Adjustment to beginning balance:	—	10,261
Adjusted beginning balance	100,017,436	104,641,586
Budgetary financing sources:		
Appropriations received	50,000,000	50,000,000
Appropriations transferred in	5,700,000	2,050,000
Other adjustments (rescissions and cancellation of expired funds)	(2,634,284)	(4,109,363)
Appropriations used	(54,714,403)	(52,564,787)
Total budgetary financing sources	(1,648,687)	(4,624,150)
Total unexpended appropriations	<u>\$ 98,368,749</u>	<u>\$ 100,017,436</u>
<b>Net position</b>	<u>\$ 98,383,621</u>	<u>\$ 99,903,600</u>

*The accompanying notes are an integral part of these statements.*



U.S. TRADE AND DEVELOPMENT AGENCY  
**STATEMENTS OF BUDGETARY RESOURCES**

For the Years Ended September 30, 2012 and 2011

	FY 2012	FY 2011
<b>Budgetary resources:</b>		
Unobligated balance, brought forward, October 1	\$ 8,001,435	\$ 6,690,288
Recoveries of prior year unpaid obligations	7,215,415	8,018,027
Other changes in unobligated balance	3,065,716	(1,959,363)
Unobligated balance from prior year budget authority, net	18,282,566	12,748,952
Appropriations (discretionary and mandatory)	50,000,000	49,900,000
Spending authority (discretionary and mandatory)	—	(26,925)
Total budgetary resources	<u>\$ 68,282,566</u>	<u>\$ 62,622,027</u>
<b>Status of budgetary resources:</b>		
Obligations incurred (Note 7)	\$ 56,949,477	\$ 54,620,592
Unobligated balance, end of year:		
Apportioned (Notes 2, 8 and 10)	6,478,431	3,854,997
Unapportioned (Note 2)	4,854,658	4,146,438
Total unobligated balance, end of year	<u>11,333,089</u>	<u>8,001,435</u>
Total status of budgetary resources	<u>\$ 68,282,566</u>	<u>\$ 62,622,027</u>
<b>Change in obligated balance:</b>		
Unpaid obligations, brought forward, October 1 (gross)	\$ 99,425,899	\$ 106,560,515
Obligated balance, start of year (net) before adjustments		
Adjustment to unobligated balance start of year (net)	—	338
Obligated balance, start of year (net), as adjusted	99,425,899	106,560,853
Obligations incurred	56,949,477	54,620,592
Outlays (gross)	(54,901,070)	(53,737,519)
Recoveries of prior years' obligations	(7,215,415)	(8,018,027)
Obligated balance – end of the period		
Unpaid obligations, end of year (gross)	\$ 94,258,891	\$ 99,425,899
Obligated balance, end of the period (net) (Note 9)	<u>\$ 94,258,891</u>	<u>\$ 99,425,899</u>
<b>Budget Authority and Outlays, Net</b>		
Budget Authority, gross (discretionary and mandatory)	\$ 50,000,000	\$ 49,900,000
Budget Authority, net (discretionary and mandatory)	50,000,000	49,900,000
Outlays, gross (discretionary and mandatory)	54,901,070	53,737,519
Outlays, net (discretionary and mandatory)	54,901,070	53,737,519
Distributed offsetting receipts	—	—
Agency outlays, net (discretionary and mandatory)	<u>\$ 54,901,070</u>	<u>\$ 53,737,519</u>

The accompanying notes are an integral part of these statements.

## U.S. TRADE AND DEVELOPMENT AGENCY

### NOTES TO FINANCIAL STATEMENTS

September 30, 2012

#### (1) Summary of Significant Accounting Policies

##### (a) Description of Reporting Entity

The U.S. Trade and Development Agency (USTDA or the Agency) is an independent U.S. government agency administered under the authority of Section 661 of the Foreign Assistance Act of 1961, as amended (22 U.S.C. §2421).

USTDA helps U.S. companies create jobs through export of U.S. goods and services for priority development projects in emerging economies. USTDA links U.S. businesses to export opportunities by funding project planning activities, pilot projects, and reverse trade missions while creating sustainable infrastructure and economic growth in partner countries.

The organization was established on July 1, 1980 as the U.S. Trade and Development Program (TDP) by delegation of authority as a component of the International Development Cooperation Agency (IDCA). In 1988, under the Omnibus Trade and Competitiveness Act, the organization was a separate component agency of IDCA. On October 28, 1992, the Jobs Through Exports Act of 1992 established USTDA as an independent agency under the foreign policy guidance of the Secretary of State.

##### (b) Basis of Presentation

These financial statements have been prepared to report the financial position, net costs, changes in net position, and budgetary resources of USTDA, as required by its authorizing legislation (Public Law 102-549, Title II). These financial statements include all activity related to USTDA's appropriation (No. 11-1001) and reimbursable interagency agreements, whereby USTDA receives transfers from other federal agencies for use in specific regions or sectors.

USTDA changed its presentation for reporting the Statement of Budgetary Resources in FY 2012, based on new reporting requirements under OMB Circular No. A-136, *Financial Reporting Requirements*. As a result, the Statement of Budgetary Resources for FY 2011 has been adjusted to conform to the current year presentation.

##### (c) Budgets and Budgetary Accounting

Congress annually adopts a budget appropriation that provides USTDA with authority to use funds from the U.S. Treasury to meet operating and program expense requirements. All revenue received from other sources, except for appropriations transferred from other federal agencies, must be returned to the U.S. Treasury.

##### (d) Basis of Accounting

USTDA's Balance Sheet, Statement of Net Cost, and Statement of Changes in Net Position are prepared using the accrual basis of accounting. This basis requires recognition of the financial effects of transactions, events, and circumstances in the periods when those transactions, events, and circumstances occur, regardless of when cash is received or paid. USTDA also uses budgetary accounting to facilitate compliance with legal constraints and to track its budget authority at the various stages of execution, including commitments, obligation, and eventual outlay. The Statement of Budgetary Resources is prepared using budgetary accounting methods.

The standards used in the preparation of the accompanying financial statements are issued by the Federal Accounting Standards Advisory Board, which represent accounting principles generally accepted in the United States of America for U.S. government entities.

##### (e) Appropriations and Other Financing Sources

Appropriations are recognized as a financing source at the time they are authorized and apportioned. Appropriations used to fund grant activities and administrative expenses are recognized as expenses and revenue as the resultant related expenses are incurred.

During FY 2011 and FY 2012, USTDA received an appropriation to be used for program and administrative expenses, which are available for obligation through September 30, 2012 and 2013, respectively. These funds were appropriated in accordance with Section 2114 of the Department of Defense and Full-Year Continuing Resolution Act, 2011 and Title VI of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2012 ("The Acts"). Beginning with FY 2008 appropriations, the Acts allow de-obligated funds that were initially obligated prior to their expiration to remain available for re-obligation.

## U.S. TRADE AND DEVELOPMENT AGENCY

### NOTES TO FINANCIAL STATEMENTS

September 30, 2012

for an additional 4 years from the date on which the availability of such funds would otherwise have expired. In FY 2012, USTDA re-apportioned approximately \$.2 million of FY 2008 de-obligations, approximately \$.9 million of FY 2009 de-obligations, and \$.7 million of FY 2010 de-obligations.

Funds transferred from the U.S. Agency for International Development (USAID) for Support for East European Democracy Act (SEED), Economic Support Funds (ESF), and the Freedom Support Act (FSA) during FY 2002–2005, are available for reobligation in the manner described in the preceding paragraph. SEED, ESF, and FSA funds for FY 1999–2001 that were initially obligated prior to their expiration remain available for re-obligation until expended. During FY 2012, approximately \$1.5 million of FY 2009 de-obligations were reapportioned for re-use thru FY 2014.

**(f) Fund Balance with Treasury**

USTDA does not maintain cash in commercial bank accounts. The U.S. Treasury processes cash receipts and disbursements. The balance of funds with Treasury primarily represents appropriated funds that are available to pay current liabilities and finance authorized purchase commitments relative to goods or services.

**(g) Property and Equipment**

Property and equipment is stated at cost, less accumulated depreciation. USTDA capitalizes property and equipment with an acquisition cost greater than \$5,000 and useful life exceeding one year. Depreciation is calculated using the straight-line method and is based on an estimated useful life of 10 years for all assets, except computer equipment and software, which is depreciated over 5 years. Leasehold improvements are amortized over the estimated period of occupancy or the life of the improvement, whichever is less. Expenditures for repairs and maintenance are charged to operating expenses as incurred.

**(h) Liabilities**

Liabilities represent amounts owed by USTDA as the result of transactions or events that have occurred as of fiscal year end. Liabilities covered by budgetary or other resources are those liabilities for which Congress has appropriated funds or funding is otherwise available to pay amounts owed. Liabilities not covered by budgetary or other resources represent amounts owed in excess of available, congressionally appropriated funds or other amounts. The liquidation of liabilities not covered by budgetary or other resources is dependent on future congressional appropriations or other funding. There is no certainty that Congress will appropriate funds to satisfy such liabilities.

USTDA has no capital leases. Regarding its building lease, the General Services Administration (GSA) entered into a lease agreement for USTDA's rental of building space. USTDA pays GSA a standard-level users' charge for the annual rental. The standard-level users' charge approximates the commercial rental rates for similar properties. Average annual rent expense and related charges are approximately \$1.5 million through 2012.

**(i) Undelivered Orders**

Undelivered orders represent the amount of orders for goods and services outstanding for which funds have been obligated, but the liabilities have not been incurred.

**(j) Accrued Leave**

Annual leave is accrued as a liability as it is earned. The liability is reduced as leave is taken. Each year, the balance in the accrued annual leave account is adjusted to reflect current year pay rates. To the extent that the current or prior year appropriations are not available to fund annual leave earned, but not taken, funding will be obtained from future appropriations. USTDA's handling of annual leave earned, but not taken is compliant with established regulations. Sick leave and other types of non-vested leave are charged to expense as the leave is used.

**(k) Cumulative Results of Operations**

Cumulative results of operations represent the difference between net property and equipment and unfunded annual leave, plus the net difference between expenses and financing sources since the inception of an activity.

## NOTES TO FINANCIAL STATEMENTS

September 30, 2012

### (l) Retirement Plan

USTDA's employees participate in either the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS). Employees participating in CSRS contribute 7.0 percent of their gross pay to the plan, and USTDA contributes 8.51 percent. The cost of providing a CSRS benefit, which is 29.8 percent as computed by the Office of Personnel Management (OPM), is more than the amounts contributed by USTDA and its employees. In accordance with Statement of Federal Financial Accounting Standard (SFFAS) No. 5, *Accounting for Liabilities of the Federal Government*, USTDA reports the full cost of providing pension benefits to include the cost financed by OPM.

On January 1, 1987, FERS went into effect pursuant to Public Law 99-335. Most employees hired after December 31, 1983 are automatically covered by FERS and the Social Security Act. Employees hired prior to January 1, 1984 could elect either to join FERS and the Social Security Act or remain in CSRS. A primary feature of FERS is that it offers a savings plan in which USTDA automatically contributes 1 percent of employees' pay and matches any employee contribution up to an additional 4 percent of basic pay. For most employees hired since December 31, 1983, USTDA also contributes the employer's matching share under the Social Security Act. For the FERS basic benefit, the employees contribute 0.8 percent of their basic pay while USTDA contributes 11.2 percent for a total contribution rate of 12 percent. The cost of providing a FERS benefit, as computed by OPM is 13.7 percent.

The total amount of imputed financing for retirement and other post-retirement benefits paid by OPM for FY 2012 amounted to \$334,461 which includes \$100,933 for pension cost for CSRS and FERS; \$232,622 for the Federal Employees Health Benefits (FEHB) Program; and \$906 for Federal Employees Group Life Insurance (FEGLI). These amounts are included in USTDA's FY 2012 financial statements. In FY 2011, OPM funded \$401,598 to pension, health, and life insurance benefits on behalf of USTDA's employees.

The actuarial present value of accumulated benefits, assets available for benefits, and unfunded pension liability of CSRS and FERS is not allocated to individual departments and agencies and is therefore not disclosed by USTDA. The reporting of these amounts is the responsibility of OPM. USTDA has properly computed this amount and recorded a liability for it.

USTDA paid approximately \$521,551 and \$500,230 for retirement system coverage for its employees during FY 2012 and FY 2011, respectively.

### (m) Use of Estimates

Management has made certain estimates and assumptions when reporting in these financial statements on assets and liabilities. They are also used in expenses and note disclosures. Actual results could differ from these estimates. Significant estimates underlying the accompanying financial statements include depreciable lives of property and equipment with no residual value, and the grants payable accrual. USTDA uses a ratio of the average of accounts payable to unpaid obligations over a four year period and applies the resulting percentage to calculate the current year's estimate of accounts payable.



U.S. TRADE AND DEVELOPMENT AGENCY

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2012

**(2) Fund Balance with Treasury**

Fund Balance with Treasury represents USTDA's undisbursed budgetary authority and funds to be returned to Treasury at September 30, 2012 and 2011, as follows:

	<b>FY 2012</b>	<b>FY 2011</b>
Fund balances:		
Appropriated funds	\$ 105,591,980	\$ 107,427,334
Miscellaneous Receipts	344,960	11,674
Total	<u>\$ 105,936,940</u>	<u>\$ 107,439,008</u>
Status of fund balance with Treasury:		
Unobligated balance:		
Available	\$ 6,478,431	\$ 3,854,997
Unavailable	4,854,658	4,146,438
Obligated balance not yet disbursed	94,258,891	99,425,899
Non-budgetary	344,960	11,674
Total	<u>\$ 105,936,940</u>	<u>\$ 107,439,008</u>

Unobligated fund balances are either available or not available. Amounts are reported as not available when they are no longer legally available to USTDA for obligation. However, balances that are currently reported as not available can change over time, because they may be used to increase the amount of the initial obligation to cover additional expenditures that relate to these obligations.

**(3) Accounts Receivables**

Accounts receivables at September 30, 2012 and 2011 consist of the following components:

	<b>FY 2012</b>	<b>FY 2011</b>
Accounts receivable	<u>\$ 130</u>	<u>\$ 88</u>

FY 2012 accounts receivable represents an employee salary compensation to be returned to USTDA; no allowance is necessary as the amount is fully collectable. FY 2011 accounts receivable represents an employee health insurance premium that was collected in FY 2012.

U.S. TRADE AND DEVELOPMENT AGENCY

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2012

**(4) Property and Equipment, Net**

Property and equipment and related accumulated depreciation balances at September 30, 2012, and 2011 are as follows:

September 30, 2012				
Class of Asset	Service Life	Acquisition value	Accumulated depreciation/amortization	Net book value
Computer Equipment	5 years	\$ 553,166	\$ 363,059	\$ 190,107
Furniture and Fixtures	10 years	274,764	176,431	98,333
Computer Software	5 years	10,050	3,023	7,027
Other Equipment	10 years	266,313	106,522	159,791
Leasehold Improvement	1 year	113,182	113,182	—
Total property and equipment		<u>\$ 1,217,475</u>	<u>\$ 762,217</u>	<u>\$ 455,258</u>

September 30, 2011				
Class of Asset	Service Life	Acquisition value	Accumulated depreciation/amortization	Net book value
Computer Equipment	5 years	\$ 471,823	\$ 287,009	\$ 184,814
Furniture and Fixtures	10 years	232,468	163,873	68,595
Computer Software	5 years	5,046	1,514	3,532
Other Equipment	10 years	243,668	159,981	83,687
Leasehold Improvement	2 years	113,182	76,011	37,171
Total property and equipment		<u>\$ 1,066,187</u>	<u>\$ 688,388</u>	<u>\$ 377,799</u>

Depreciation expense for fiscal years ended September 30, 2012 and 2011 is \$ 153,379 and \$157,909 respectively.

During FY 2012 and 2011, USTDA purchased property and equipment in the amount of \$239,296 and \$18,623 respectively. In addition, during FY 2012 USTDA retired \$88,008 in property and equipment with related accumulated depreciation amounting to \$79,549, representing a loss on disposals of \$8,459 while in FY 2011 there were no disposals.

U.S. TRADE AND DEVELOPMENT AGENCY

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2012

**(5) Liabilities**

Total liabilities represent the sum of liabilities not covered by budgetary resources, and those covered by budgetary resources. As of September 30, 2012 and 2011, total liabilities were as follows:

	<b>FY 2012</b>	<b>FY 2011</b>
Intragovernmental Liabilities:		
Liabilities not covered by budgetary resources:		
Miscellaneous receipts to be returned to Treasury	\$ 344,960	\$ 11,674
Liabilities covered by budgetary resources:		
Accounts payable	410,012	270,000
Total intragovernmental liabilities	<u>\$ 754,972</u>	<u>\$ 281,674</u>
Other Liabilities:		
Liabilities not covered by budgetary resources:		
Accrued annual leave	\$ 440,515	\$ 491,723
Liabilities covered by budgetary resources:		
Accounts payable	6,635,416	6,895,481
Accrued payroll	177,804	244,417
Total other liabilities	<u>\$ 7,253,735</u>	<u>\$ 7,631,621</u>
Total liabilities	<u>\$ 8,008,707</u>	<u>\$ 7,913,295</u>

All liabilities other than unfunded accrued leave are considered to be current liabilities. Approximately \$6.1 million of the accounts payable balance as of September 30, 2012 relates to grants payments owed but unpaid. This balance was \$6.2 million as of September 30, 2011.

**(6) Intragovernmental Costs and Exchange Revenue**

Program costs for the fiscal years ended September 30, 2012 and 2011 consists of the following:

<b>Grants Program</b>	<b>FY 2012</b>	<b>FY 2011</b>
Intragovernmental costs	\$ 2,656,359	\$ 2,953,748
Public costs	52,263,797	50,170,240
Total grant program costs	54,920,156	53,123,988
Intragovernmental earned revenue	—	—
Net grant program costs	<u>\$ 54,920,156</u>	<u>\$ 53,123,988</u>

U.S. TRADE AND DEVELOPMENT AGENCY

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2012

**(7) Apportionment Categories of Obligations Incurred**

During the years ended September 30, 2012 and 2011, funds were obligated in the following categories:

<b>Obligations</b>	<b>FY 2012</b>	<b>FY 2011</b>
Category A – funds that are obligated for operating expenses	\$ 12,725,724	\$ 13,548,511
Category B – funds that are obligated for program activities	44,223,753	41,072,081
Total obligations incurred	<u>\$ 56,949,477</u>	<u>\$ 54,620,592</u>

**(8) Unobligated Balances Available — Apportioned**

Total available unobligated balance of budget authority at September 30, 2012 and 2011 consist of the following:

	<b>FY 2012</b>	<b>FY 2011</b>
Unrestricted no-year funds	\$ 325,959	\$ 325,959
Funds transferred from USAID for feasibility studies and related activities in the New Independent States (NIS), and Support for Eastern European Democracy (SEED)	49,564	61,565
Funds transferred from USAID for feasibility studies and related activities in the NIS (Freedom Support Act (FSA) no-year funds)	58,328	63,315
Total no-year funds	<u>\$ 433,851</u>	<u>\$ 450,839</u>
Funds transferred from USAID for feasibility studies and related activities in the NIS (FSA funds)	—	318,930
Funds transferred from USAID for feasibility studies and related activities in Libya (ESF-MERF)	41,681	—
Funds transferred from USAID and reappportioned for feasibility studies and related activities in Pakistan (ESF) and regional Eurasia (AEECA)	380,987	—
USTDA core budget two-year appropriations	5,621,912	3,085,228
Total unobligated and available appropriations	<u>\$ 6,478,431</u>	<u>\$ 3,854,997</u>

**(9) Undelivered Orders**

At September 30, 2012 and 2011, undelivered orders balances consisted of the following:

<b>Purpose</b>	<b>FY 2012</b>	<b>FY 2011</b>
Obligated balance at the end of the period	\$ 94,258,891	\$ 99,425,899
Accounts payable (covered by budgetary resources)	(7,223,232)	(7,409,898)
Undelivered orders	<u>\$ 87,035,659</u>	<u>\$ 92,016,001</u>



U.S. TRADE AND DEVELOPMENT AGENCY

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2012

**(10) Permanent Indefinite Appropriations**

No-year funds at September 30, 2012 and 2011 exist for the following purposes:

Purpose	FY 2012	FY 2011
General program activities	\$ 325,959	\$ 325,959
FSA transfer funds for feasibility studies and activities in the NIS	58,328	63,315
Support for feasibility studies and activities (NIS and SEED)	49,564	61,565
Total permanent indefinite appropriations	<u>\$ 433,851</u>	<u>\$ 450,839</u>

**(11) Reconciliation of Net Cost to Budget**

The following schedule reconciles resources available to USTDA to finance operations and the net cost of operating for fiscal years ended September 30, 2012 and 2011:

	FY 2012	FY 2011
Resources used to finance activities:		
Budgetary resources obligated	\$ 56,949,477	\$ 54,620,592
Adjustment to beginning balance brought forward	—	10,261
Recoveries of prior years obligations	(7,215,415)	(8,018,027)
Imputed financing for costs absorbed by others	334,461	401,598
Total resources used to finance activities	<u>\$ 50,068,523</u>	<u>\$ 47,014,424</u>
Resources used to finance items not part of the net cost of operations:		
Change in budgetary resources obligated for goods and services ordered, but not received	\$ 4,980,341	\$ 5,925,036
Resources that finance the acquisition of assets	(239,296)	(18,623)
Loss on disposition of assets	8,459	—
Total resources used to finance items not part of the net cost of operations	<u>\$ 4,749,504</u>	<u>\$ 5,906,413</u>
Costs that do not require resources:		
Depreciation and amortization	\$ 153,379	\$ 157,909
(Increase)/decrease in accounts receivable	(42)	26,837
Costs that require resources in a future period:		
(Decrease)/increase in accrued leave liability	(51,208)	18,405
Total costs that do not require resources	<u>\$ 102,129</u>	<u>\$ 203,151</u>
Net cost of operations	<u>\$ 54,920,156</u>	<u>\$ 53,123,988</u>

U.S. TRADE AND DEVELOPMENT AGENCY

**OTHER ACCOMPANYING INFORMATION**  
**INTRAGOVERNMENTAL ASSETS, LIABILITIES AND EXPENSES**

As of and for the year ended September 30, 2012

**INTRAGOVERNMENTAL ASSETS**

As of September 30, 2012			
Trading Partner	Partner #	Accounts Receivable	Fund Balance with Treasury
Department of the Treasury	20	\$ —	\$105,936,940
Total		\$ —	\$105,936,940

**INTRAGOVERNMENTAL LIABILITIES**

As of September 30, 2012			
Trading Partner	Partner #	Accounts Payable	Fund to be Returned to Treasury
Department of Agriculture	12	\$ 1,000	\$ —
Department of State	19	130,005	—
Department of Treasury	20	—	344,960
Foreign Service Institute	21	340	—
General Services Administration	47	82,457	—
Office of Personnel Management	24	551	—
U.S. Foreign Commercial Services	13	195,659	—
Total		\$ 410,012	\$ 344,960

**INTRAGOVERNMENTAL EXPENSES**

For the Year Ended September 30, 2012		
Trading Partner	Partner #	Amount
Department of Agriculture	12	\$ 3,000
Foreign Service Institute	21	2,560
Department of Homeland Security	70	23,733
Department of Interior (NBC)	14	674,375
Department of State	19	354,290
General Services Administration	47	1,472,206
National Archives	88	1,363
Office of Personnel Management	24	742
U.S. Foreign Commercial Services	13	123,905
U.S. Postal Service	18	185
Total		\$ 2,656,359





## U.S. TRADE AND DEVELOPMENT AGENCY

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